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WEST ON THE WANE

CEYLON FINDS HERSELF

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SINGAPORE'S MERDEKA

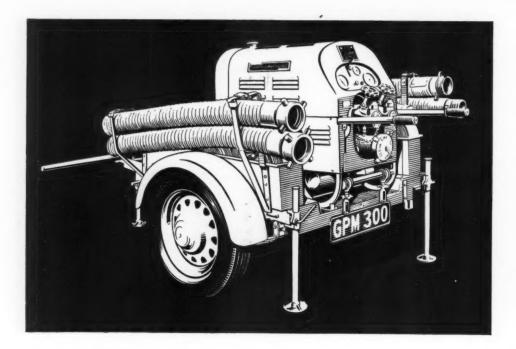
BUDDHISM IN CEYLON

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2/6

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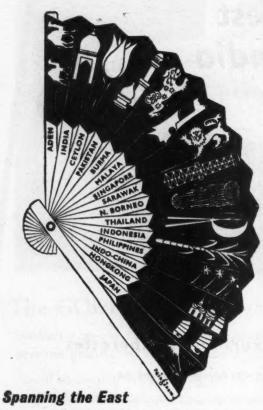
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CONTENTS

	PAGE
EDITORIALS	
West on the Wane	5
Ceylon Finds Herself	6
Japan's Weakened Position	7
The state of the s	8, 9
Moscow-Peking Relations After Stalin V. Wolpers	
Korea and the Great Powers Yongjeung Kim	
Indonesia Goes Forward Robert C. Bone ASIAN SURVEY	13
Singapore's Merdeka Special Correspondent	16
Malaya: Trouble Ahead Kuala Lumpur Correspondent Cambodia: At The	17
Cross Roads SE Asia Correspondent	
Ceylon: End of an Era Correspondent in Colombo	
Indonesia: The Third Stage Jakarta Correspondent	
Pakistan: Political Manoeuvres Karachi Correspondent	
Japan: Constitutional Dilemma Tokyo Correspondent	20
United States: Aid and Voters David C. Williams	
Australia: Government's Difficulties Charles Meeking	22
LETTER TO THE EDITOR	22
FROM ALL QUARTERS	23
LONDON NOTEBOOK	24
BOOKS ON THE FAR EAST	26
Buddhism in Ceylon Austin de Silva	30
Shrines of Kyoto Geoffrey Bownas	32
Influence of China and Japan upon German Culture Thomas E. Ennis	34
ECONOMIC SECTION	
Aspects of Afghanistan's Economy Afghan Economis	
Italy Discovers Asian Markets Rome Correspondent	40
Burma's Economic Problem Sir Hubert Rance	41
Burma Pharmaceutical Industry	43
Japanese Wools Recover UK Wool Industry's Exports to Japan	44
Special Corresponden	47
Indian Commercial Agreements	48
Burma's Economic Relations with Britain. A. James	52
TRADE, FINANCE AND INDUSTRIAL NOTES	54

Believing in the freedom of the press, this journal represents a forum where articles containing many different, and often controversial opinions are published. They do not necessarily express the views or policy of this paper.



London

May

1956

WEST ON THE WANE

IT has become fashionable recently for people to express what they think is the greatest single factor which has affected the conduct of international affairs since the end of the last war. Many, no doubt, would hold the opinion that the development of nuclear weapons is the most important; others, like the former Editor of the *Economist*, think the emergence of the United States as a great power, leading a Grand Alliance, has changed the course of events. There are a plethora of opinions on the matter, but as crisis succeeds crisis in the Middle and Far East, and the affairs of Europe lie stagnant, locked in technical and political difficulties, it becomes clear that the largest single factor affecting the course of affairs today is the mistake of the western powers in consistently underestimating the cataclysmic force of nationalism among newly independent peoples.

To say that may sound trite. It has been said before—over and over again. Recognition of the power of nationalistic feeling has been the plea emanating from the countries of Asia for almost a decade, and it has been a recurring theme in this journal for many years, not to mention elsewhere. And yet western statesmen, having failed to take the effect of nationalism adequately into account, are now confronted with a number of situations, almost identical in character and psychology, in the Middle and Far East that undermine the whole basis of western policy and strategy.

The powerful European nations, in their various ways, came to recognise the necessity of acceding to nationalistic pressure for self-government. The United States, for her part, has always thought it right and just that there should be an end to colonialism. But statesmen in Europe and America have, since the war, assumed that once colonial peoples acquired independence (and independent countries formerly under the influence of the West had achieved self-determination), nationalism would be a spent force and these countries would be ready to identify—indeed, ally—themselves with western ideas about the conduct of world affairs.

The West, with its traditional feeling of superiority in the handling of international situations, was ready to do the thinking for these newly politically awakened countries. Policy was based upon the assumption that this would be accepted, and upon the notion that with subtle diplomacy and carefully placed aid, leaders favourably disposed to these western ideas would remain in power. As, gradually, this

assumption has been shown by events to be false, the western powers have been caught without an alternative policy.

Over the past few years the West has bit by bit lost favour and its assumed position of privilege east of Europe. Its policy is under constant criticism in the capitals of Asia and the Middle East, and most of the carefully built up strategic positions and planned defences in these areas have been lost. Ceylon is the most recent, and shortly it will be Malaya, Singapore, Pakistan and others. To have framed policy without consideration for the nationalistic factor was at worst short sighted and at best short term.

As western policy is very often presented with the utmost self-righteousness and piety, much of which springs from the prevalent self satisfaction in Europe and America that anything done in the name of the Christian God must necessarily be right, it may be thought that the West ought to have enough confidence in that policy to snub those non-Communist countries who do not subscribe to it. That it feels it cannot do so, in the present state of world tensions, reveals how fundamentally negative present policy is.

What is the alternative? Would a change in approach to Asia mean a greater or lesser rejection of the West than is evident now? No different policy, unless it be one of unadulterated colonialism, could put the West into greater disfavour than it is at present. An alternative should, in that case, be easy.

Western world relationships are circumscribed within the ever present fear of Communism, and present policies are all framed in such a way as to form a defence against it. Western thinking is, therefore, consistently defensive. Soviet policy, until comparatively recently, was conceived in the same state of mind. The new change in Soviet relationships with countries of the Middle and Far East shows that Communism no longer feels that it is vulnerable. Communists have always argued (whether they are right or wrong is not the point here) that capitalism is a dying system and in open competition with Communism it must, in the last analysis, lose ground. The vulnerability that Communists felt sprung from the conviction that capitalism would try eventually to overthrow Communism by force of arms. But now Communists are aware, as we all should be, that in this thermonuclear age no system can overthrow another by war and survive to enjoy the results. This last factor is responsible

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for Soviet confidence in the competitive power of Communism in world affairs, the results of which are shown in Russian approaches to those nations of the African and Asian continents to whom she had hiitherto paid little attention.

The West cannot meet this challenge in Asia if it continues to think along defensive lines and to implement policies in that part of the world that have the ulterior motive of lining nations up against the threat of Communism, because Communism in its economically competitive form constitutes in Asian minds less of a threat to sovereignty and nationalist susceptibilities than militant western anti-Communism.

Does the West continue with a line of policy towards Asia, which it knows is rejected, simply because it has not the confidence that its economic system could compete with Communism? If that is the case, then it had better be prepared for Communist offers to have an even wider appeal, since a continuance of the present policy by the West will have the effect of accelerating the drift away from the West. But the western powers surely do not eschew a change in approach because they have nothing to offer except a negative policy of defence and all the trappings that go with it.

The change that has come over the conduct of world affairs must cause the West to see that cooperation with Asian countries means cooperation in development and not in defence. Pacts are no defence against ideas. Friendship with underdeveloped countries must be taken out of the context of comrades in arms against a common enemy. Poverty is the enemy in these countries, not the existence of Soviet and Chinese power. The West has the resources to implement a positive policy of help and friendship, and time is proving that the alternative to such a policy is the eventual waning of western connections in the East.

CEYLON FINDS HERSELF

THE result of the general election in Ceylon last month took the world by surprise, and has opened a vast field of speculation as to probable repercussions in international affairs.

By practically wiping out the United National Party, the people won a victory over a privileged oligarchy that had been in power continuously for twenty-five years. Sir John Kotelawala and his caucus represented a system of government subservient to the West and reactionary in home affairs, which preferred and indeed had to rule by the big stick. The common citizen had little benefit from his country's formal independence with Dominion status since 1948. The cup of national frustration and humiliation was brought to overflowing by Sir John's extraordinary behaviour at the Bandung Conference, where his unquestioning acceptance of US policies seemed to the other delegations as a betrayal of Asian interests.

It is this that explains the satisfaction in most Asian countries at his defeat. In India, Burma and Indonesia the feeling is almost one of self-congratulation. The Ceylon election result is a vindication of resurgent Asian nationalism, of the Bandung Conference's unqualified rejection of colonialism. Because Mr. Bandaranaike not only opposed Sir John Kotelawala's unpopular internal policies but also supported these wider Asian issues, he was able to bring leftwing nationalist groups together in his United Front and secure electoral cooperation from the Communist and Trotsyist parties, thus winning a far greater victory than anyone had thought possible.

Reactions in the West have been unbalanced. The Americans are "dismayed" and the British "disturbed" because the new Government proposes to behave as an independent power. By freeing itself from the limitations on

its sovereignty imposed by the British naval and air bases, and by the country's inclusion, without being consulted, in SEATO, Ceylon, it is claimed, throws into jeopardy the whole oceanic defence system of the West, and particularly that of the Commonwealth. Australia is distraught because there are no other bases within 1,500 miles of Ceylon. The US is horrified because Mr. Bandaranaike plans soon to establish diplomatic relations with the Soviet Union and China, and Washington wonders if any consideration of American economic aid to Ceylon ought not to be postponed.

In London, a panic fall in shares followed Mr. Bandaranaike's election victory because of the United Front programme of a gradual nationalisation of the tea and rubber plantations. Is it surprising then, that the feeling has gained ground among Asians that what the West is really disturbed at is the emergence of a genuinely independent Ceylon? India, Burma, and Indonesia have done most of what Ceylon proposes to do, and yet continue to enjoy friendly relations with the West. The Ceylonese therefore hope that the present shocked reactions will in due course be replaced by a cooler judgment.

Mr. Bandaranaike, who is a personal friend of Mr. Nehru's and shares many of his ideas, is likely to lead Ceylon into the front ranks of the neutralist, uncommitted powers, both inside and outside the United Nations. This has now become a practical possibility, and is welcomed in Asian circles. Ceylon, as a small country both in terms of size and manpower, but endowed with men of high diplomatic abilities, will, unlike India, often be able to give a lead without offence to other powers. Her diplomats at the United Nations would find ready support among the Bandung powers. At the Bandung Conference it was often the quality of political

leadership that carried weight rather than the number of army divisions possessed by a country. As for the minor but tiresome Indo-Ceylonese differences over the Indian settlers in Ceylon, a difficulty directly created by Sir John Kotelawala himself, there is every likelihood that the Bandaranaike Government will quickly be able to reach a mutually satis-

factory settlement with India.

At the United Nations, India would welcome a Ceylon able to bear an equal share of responsibility with herself, Burma and Indonesia, in a kind of united front of the Colombo Powers, the hosts and initiators of the Bandung Conference.

JAPAN'S WEAKENED POSITION

WHEN the two conservative parties in Japan—the Liberals and the Democrats—merged last November as a counter to the merger of the left and right wing Socialist opposition, many people had reservations about the eventual success of such a move. It has become increasingly apparent that all the prophecies of an increase in factionalism within the Liberal-Democratic Government Party were justified. Political manoeuvres and openly expressed disagreements have played havoc with Japanese internal and foreign policy.

The election last month of Mr. Ichiro Hatoyama, the Prime Minister, to the presidency of the Liberal-Democratic Party is not likely to make the situation any better, and it may conceivably make matters worse. Mr. Hatoyama is a sick man who, since his stroke four years ago, has been gradually losing his faculty for clear judgment, and the question of his successor not only as president of the party but as Prime Minister will shortly be a matter to be faced. Last month he was the only candidate of any stature for the post, but even then about twenty per cent of the party did not vote for him. Many of the Liberal members of the merged party still openly support the views of the former Prime Minister, Mr. Yoshida, whose influence behind the scenes is said to be considerable.

These pressures and counter-moves inside the ruling party have had their effect on many aspects of Government policy, and no really firm decisions have been taken. This is particularly true of Japan's relations with the Soviet Union. The talks in London between Russia and Japan on a settlement and peace treaty reached virtual deadlock because, in the main, Mr. Matsumoto, the Japanese representative, was never able to take a decision in the sure knowledge that it would find support in Tokyo.

The Democratic wing of the party, led by the Prime Minister, believes that some settlement is essential with the Soviet Union and it seems that Mr. Hatoyama would be willing to make some concession to Soviet demands as the price of achieving a result which would raise the prestige of the Government. The Liberal side, on the other hand, aided and abetted by Mr. Shigemitsu, the Foreign Minister, are suspicious of any move towards Russia the Democratic wing might try to make, and then adopt as Government policy, for there is a strong feeling among the Liberal faction that although it might be advantageous in some respects for Japan

to loosen her ties with the United States, she must do nothing to offend that country.

As long as these contrary views are allowed to nullify Government decisions, Japan's position will continue to be weak. The Japanese people themselves desire nothing so much as a strong Government which can strike a satisfactory balance in policy between the United States on the one hand and the Soviet Union and China on the other. There is general dissatisfaction in the country about Japan's continued position in America's defensive network, and about the issues of prisoners and the status of the islands to the north which are still unsettled with the Soviet Union.

It has also not gone unnoticed in Japan that the uncommitted countries of Asia are growing in stature and importance, and the feeling is spreading that if Japan is to become a great power once more she must look increasingly towards Asia. With her large industrial potential Japan has a great future in the Asian community. But none of these vague yearnings can crystallize into anything definite until the Government gives the country a sense of direction.

Japan must now begin to make her position unequivocally clear vis-a-vis America, and spare no effort to achieve a reasonable settlement with the Soviet Union. By continuing to project party disagreements into the international scene she will achieve nothing except sidicule.

Comment

Responsibility for Viet Nam

IT is disappointing that there was no mention in the statement issued after the talks between Mr. Bulganin and Mr. Khruschev, and Sir Anthony Eden of the vexed question of Viet Nam. It is certain that Viet Nam was discussed, and the absence of any reference to it, as with the whole of the Far East situation, means that no significant measure of agreement was reached. In view of Britain's recent marked change of view on the situation in Viet Nam it was not likely that Sir Anthony and the Russians would see eye to eye.

From the time agreement was reached in Geneva two years ago up until a couple of months ago Great Britain had been a steadfast supporter of the terms of that agreement, and it is to Whitehall's credit that it has consistently supported the Geneva plan for elections in July this year, knowing that if they were held under scrupulous outside supervision the result would be distasteful to Britain and the West. Mr. Diem's refusal to have anything to do with elections and the Geneva agreeement in general was deplored in London, although it was recognised that with the short amount of time remaining, very little could be done about it.

Britain's reticence in declaring all out support for Diem's regime in the south gave cause for hope that together with the Soviet Union, and with the advice of India, some strong and workable plan could be agreed upon that would make it clear to the United States that despite America and her ward—Ngo Dinh Diem—the Geneva agreement was to be carried through, even if at a later time than originally intended. In the past few weeks, however, the British line swung away from its original course. Excuses were found to support Diem's view that the south is not bound by the Geneva accord, and as time passed it became apparent that Britain, one of the chairmen at the Geneva conference, had no intention of offending the United States by reaching agreement with Russia, the other chairman.

Sir Anthony Eden has pinned his hopes on the Hanoi Government's happily agreeing to a postponement of the elections. In this it seems he has capitulated to the American view that more time is needed to build up the Diem regime, or that Viet-Nam can remain divided, like Korea and Germany, for an indefinite period. It seems very likely that the Viet-Minh will agree to a postponement, but they will hardly do it without some conditional safeguard, such as that the United States cease to completely run the Diem Government.

The responsibility that rests on the British Prime Minister with regard to Viet Nam is no doubt one that he would happily shed, but as he cannot do that, he has the obligation to consider the north's case as well as the south's, just as Russia has the same obligation in reverse. The north was in a supreme position at the time of the Geneva conference, and she could, and would, have conquered the whole country in a matter of weeks, and have been welcomed by the vast majority of the people, had she not agreed to the plans for an armistice to be followed by elections throughout the country. This superior position is still held by the north, and support among the people, above and below the 17th Parallel, for the Viet Minh is no less now than it was two years ago. These factors must be borne in mind before anyone can blithely agree to meet the wishes of the south. In his anxiety to secure American support for British policies in the Middle East, Sir Anthony Eden may find himself led by the US up a dangerous path in Viet Nam from which there is no retreat.

Germany Looks East

WEST German industrial circles have not been slow to recognise the enormous possibilities that are opening up in Asia for economic and technical assistance. Following on the visit to the region of Herr Krupp recently, came a six weeks tour by a fact-finding mission of the West German Federation of Industry. The Mission made a careful study of the needs in seven Asian countries and has come to the conclusion that German industry must move quickly if it is to

compete with the Soviet Union in Asian markets. The eight point plan drafted by the mission lays particular emphasis on the type of credit that Asian countries are attracted by. Russian long term credit of anything between ten and twenty years, with a rate of interest as low as 2½ percent, is not easy to compete with, but the Germans rightly conclude that unless they can offer terms just as attractive they will be squeezed out of this important market.

What worries businessmen in Europe, of course, is the advantage the Soviet Union holds in operating its overseas programmes through a state controlled organisation. The answer to this, as Herr Fritz Berg, the leader of the mission, has pointed out, is the formation of industrial consortiums, Herr Krupp has already expressed his view that something similar should be organised on an international scale with the support of the World Bank and the United States Import-Export Bank. This might be feasible, but again, the Soviet state monopolies will have the advantage of a smooth administrative machine which international, or even national, consortiums would find difficult to match. And, furthermore, some businessmen outside Germany have reservations about an international consortium dominated by German industry and backed by American money. They think, and not without justification, that in the long run it may limit their scope in the Asian market.

Nevertheless, West Germany's awareness of the need to understand the general Asian situation is something British and other European businessmen would do well to emulate. Herr Berg's mission, in its report, makes a valid point when it says that great advantage will accrue from popular interest in Eastern problems—not only economic problems, but political and psychological as well.

Raised Voices in Okinawa

THE release from prison last month of Kamejiro Senaga, General Secretary of the Okinawa People's Party, after serving a two-year sentence for "concealing a criminal and giving false evidence," became the occasion for an increase in the demand by the people of Okinawa for reunion with Japan. When Mr. Senaga, whom the Americans say is a "Communist front man," addressed a public meeting and demanded the island's return to Japanese rule, he was cheered by over six thousand Okinawans. However much the United States military authorities, on this strongest of America's Pacific bastions, blame Communism for fomenting trouble, they are forced to admit that scarcely one native person of Okinawa does not want to join again with Japan.

In the election held recently for the local legislature over fifty percent of the votes went to groups who want an end to US military occupation, and even the Democratic Party (such as it is), which secured a majority, is not so pro-American as the military authorities make it out to be. The best that can be said of it is that it is not anti-American.

The United States has no intention whatsoever, despite the obvious feeling among the islanders, of giving up Okinawa. So far Tokyo has made no strong demands that she should, but the issue is prominent in Japanese political minds, and there is sympathy in Japan for Okinawan sentiments. Japan is not going to feel forever satisfied with the position as it stands today, and as she bides her time she will be looking to the agitation on the island with a certain satisfaction.

Mr. Suhrawardy and India

THE short visit to Britain at the end of April by Mr. Suhrawardy, leader of the Awami Muslim League Opposition in Pakistan, to press home Pakistan's view in official British quarters about the points of disagreement with India was an astute move by the Government. It was designed to convince outsiders that however much difference of opinion there may be between Government and Opposition in Pakistan, both agree on relations with India. It is obvious that all political leaders in Pakistan are equally worried about the worsened relations with India, and Mr. Suhrawardy's opinions about the responsibility of India in the matter are almost identical with the official Pakistan line.

Indian feelings against Pakistan seemed to get stronger after the latter became an Islamic Republic. The emphasis placed by Pakistan on the part Islamic teaching and code should play in daily life was seen in India as a potential danger to the Hindu minorities. Criticism of the weight given to "Islamism" in the Pakistan Constitution also comes from Mr. Suhrawardy, but for different reasons than India. He expresses a fairly widely held view when he blames the Muslim League (who form the Government) of obscurantism; of pressing for religion to play a predominant part in daily life. He believes that a modern progressive state cannot flourish under such circumstances, and clearly he believes that only dynamic government, that has no loopholes for people of privilege, can solve the many problems of Pakistan. The appalling economic condition of East Pakistan, which is primarily responsible for the large exodus of the Hindu population to India, is not insoluable with fair and incorruptible administration. The leader of the Awami League knows this, and should his party gain a majority in next February's elections, the basis may then be laid for a better understanding between India and Pakistan.

Bandung Remembered

FOR one week last year, from April 18 to 24, the small Indonesian town of Bandung became the "capital of Asia and Africa," where representatives and leaders of twenty-nine Afro-Asian Governments conferred together on their own problems and those of the world. Whatever doubts Britain and the US might have felt at the time about the efficacy of the Bandung Conference, they soon had to acknowledge that it marked a turning-point in world affairs.

Mr. Ali Sastroamidjojo, chief inspirer of the Bandung Conference, is back at the helm in Indonesia. On his initiative, diplomatic and popular functions were held throughout the Asian and African world to commemorate the first anniversary of Bandung. It is perhaps significant of the Bandung spirit that at short notice, all the other Afro-Asian leaders,

from Mr. Chou En-lai and Mr. Nehru, to Colonel Nasser and Mr. Bandaranaike, willingly responded to the suggestion of commemorating the anniversary.

The Bandung powers' unity of purpose in action since displayed in the United Nations and elsewhere has brought a noticeable freshness and fluidity to world affairs. Six Afro-Asian nations long excluded from the UN have become its members. National independence has been won for the Sudan, Morocco and Tunisia, and the prospect of independence is nearer for Malaya and Singapore. In Indonesia, Ceylon and Cambodia, the Governments and their people have rejected indecision and opted firmly for the Bandung spirit of national sovereignty uncompromised by big-power alliances. The Bandung Conference has thrown its shadow across the world and almost every international issue today is affected by the identity of approach which first manifested itself into something tangible at the conference last year.

Fall-Out

IN a little while from now east Asia will be living under a cloud. The cloud is likely to contain millions of tons of radioactive material which can do immeasureable harm, not only immediately but for some time to come. The H-bomb, or something similar, which the United States will explode in the Pacific this month will be the largest ever to be set off, and if previous tests are anything to judge by the hazard which it will cause can be counted as little less than criminal. Two years ago it was the crew of a Japanese fishing vessel, innocently going about their business, who suffered and died. This time the effect may spread wider causing more damage to life. But even if no one is directly affected by the radioactive fall-out, fishing grounds in the Pacific, from which many communities get their livelihood, will be unsafe for a long time, and the Marshall Islanders, who have been evacuated from the area, will never be able to return to their

Protests have come from all quarters, and Asian countries one after another, have expressed their strongest disapproval. The Japanese Diet was absolutely unanimous in its condemnation, and Mr. Nehru has suggested that the matter be placed before the International Court of Justice. Nothing makes the slightest impression on the United States. It is not only the physical and political aspect that matters, it is the moral that counts as much as anything. The immediate area of the explosion is trust territory, granted to the US for the experiment, but a larger area over which America can have no say is involved. Most of the 375,000 square miles of ocean declared unsafe during the tests come under the definition of high seas, and theoretically anyone has a right to sail them. To stop them by force would be to behave in a manner scarcely short of piratical. Russia has already offered to end nuclear tests if other countries would agree but, as Mr. Nehru has said, the world had not yet heard a similar statement from America. The main result the tests in the Pacific will have for the US, especially if any part of Asia is affected by fall-out, is to give an impetus to the already growing anti-American feeling.

Moscow — Peking Relations after Stalin

By V. Wolpert

THE latest developments in the Soviet Union cannot be understood properly if one fails to see them in the perspective of Soviet relations with other countries, and Soviet-Chinese relations occupy, in this respect, a position of special importance.

The history of the Soviet Union is the history of a struggle against isolation, while at the same time policies have been pursued which have been creating isolation. This appraisal is not a moral judgment but a description of historical events. Since Stalin's death the Soviet leaders have been engaged in an active policy of breaking out of isolation. They have made Stalin a scapegoat for the Soviet isolation during the post-war period. The most spectacular action was the Bulganin-Khrushchev visit to Belgrade, where Khrushchev openly admitted the Soviet guilt in breaking-up friendy relations with Yugoslavia. The Belgrade visit was preceded by the visit to Peking. While it was not necessary to make public recantations in Peking, the establishment of fraternal Soviet-Chinese relations was of utmost importance and urgency. Stalin died in March, 1953, leaving a legacy of strained Soviet-Chinese relations. Mao Tse-tung did not forgive Stalin's wrong assessment of the situation in China and Stalin's attitude towards the Chinese Communist Party. Mao Tse-tung was the only leader of the Soviet bloc countries who did not go to Moscow for Stalin's funeral.

Since Stalin's death public pronouncements by Soviet leaders began to contain tributes to China and the Chinese Communist Party. In October, 1954, during Malenkov's Premiership, a high-powered Soviet delegation, including Bulganin, Khrushchev, Khukov and Mikoyan, went to Peking. It is not known what the Soviet leaders told the Chinese leaders behind closed doors. But the communiques which were issued at the end of the visit contained a number of political and economic concessions by the Soviet Union to China. The trend of Soviet courtship towards China has continued since.

The attacks against Stalin since the recent Congress of the Soviet Communist Party must have been of great satisfaction to Mao and his comrades. It appears that, unlike the effect upon European Communist Parties, the destruction of the Stalin cult did not arouse any confusion within the Chinese Party. It is significant that the article entitled "An Historical Experience concerning the Dictatorship of the Proletariat," based on the discussions of the enlarged meeting of the Political Bureau of the Central Committee of the Communist Party of China, and presented by the editorial department of the People's Daily (April 4), went further in attacks against Stalin than the public pronouncement in Moscow. The Peking article refers in length to the history of the Chinese Communist Party's struggle and criticises Stalin's formula that in revolutionary periods "the direction of the main blow was to isolate the middle-of-the-road social and political forces of the period." The article states that "there was a period (the ten years of civil war from 1927 to 1936) in which some of our comrades crudely applied this formula of Stalin's. . . . " and " the result was that, instead of isolating the real enemy we isolated ourselves and inflicted losses on

ourselves while benefiting the real enemy." The Chinese attacks must be read as criticism by implication, as Stalin forced them to apply his above mentioned formula. The article goes on to say, that only after having changed this policy (without saying that it was done against Stalin) the Chinese Communist Party achieved success. . . . "Experience in practice proved that this principle of the Communist Party of China was suitable in the circumstances of China's revolution and was correct."

Chinese criticism is levelled against an earlier period of Stalin's leadership than the criticism in the Moscow pronouncement. While the Moscow attacks are directed against the later part of Stalin's life, Peking's criticism refers directly or by implication to the late 'twenties. In addition to the charges made against Stalin publicly in Moscow and by the west European Communist leaders since the Congress, Peking states that Stalin "failed to pay proper attention to the further development of agriculture and the material welfare of the peasantry, advocated certain erroneous lines in the international Communist movement. . . ." The article also states, that "Stalin failed to draw the lessons from particular, local and temporary mistakes on certain issues and so failed to prevent them from becoming serious errors involving the whole nation over a long period of time."

There is another aspect of the destruction of Stalin's cult. Pravda wrote on March 27 that "the cult of the individual and the practices of leadership which developed under the influence of J. V. Stalin in the last period of his life and activities did much harm" (my italics). However, despite all "harm," his mistakes, failures and shortcomings-Stalin's name was a symbol for the rank and file of the international Communist movement. His was the authority to dictate changes of policy, to decide which faction in the various Communist Parties was pursuing the "correct line," and to decide who was to lead the individual parties. With Stalin's death no Soviet leader-neither Malenkov nor Khrushchev, Molotov and Bulganin-had the personal prestige or possessed the nimbus which Stalin had established for himself. With Stalin's death an important shift took place in the Asian Communist movement. The most familiar leader was not one of the Moscow rulers-but Mao Tse-tung. Mao was the leader of an Asian Communist Party who had achieved the victory in an Asian country. In addition, knowledgeable Asian Communists were aware of the fact that Mao had won the victory in China not with but against Stalin's advice, and that no love was lost between them. The leading centre for Asian Communists began to shift from Moscow to Peking. For Asians China was geographically, mentally, racially, and in its economic structure, nearer than the Soviet Union, where the Russians (i.e. Europeans) occupied the leading positions.

Chou En-lai visited India and Burma, where he signed with Nehru and U Nu the five principles of coexistence. His participation at the Bandung Conference, together with visits of other Chinese leading personalities (including the widow of Sun Yat-sen) to Asian countries, has enhanced Peking's prestige in Asia. The recent visit to India, Burma and Afghanis-

tan by Khrushchev and Bulganin was not carried out on the lines of a conventional State visit, but with the idea of being seen by as many ordinary citizens as possible and to impress them favourably. Bulganin and Khrushchev in their speeches emphasised the fraternal friendship and mutual interests between the Soviet and Asian peoples. The Soviet leaders underlined their expressed feelings of friendship by offers of economic assistance, thus, in fact, outbidding China which is not yet in a position to offer help for the industrialisation of other countries, and in this way trying to re-establish Moscow's position in the minds of Asians as against the growing prestige of Peking. Their visit was followed by the visit of Mikoyan, a First Deputy Prime Minister of the USSR, to Pakistan, India, Burma, Viet-Nam, China and the Mongolian People's Republic.

It is significant that Mikovan (himself an Armenian) was accompanied by Rashidov, Chairman of the Presidium of the Supreme Soviet of the Uzbek Soviet Republic-one of the Soviet Asian Republics. In Karachi they invited the National Assembly to send a delegation to the Soviet Union. In India they completed trade deals. In Rangoon Mikoyan signed an additional trade agreement, and offered as a gift from the Soviet Union to the people of Burma the building and equipment of a technical college in Rangoon. He accepted as a counter-gift from Burma to the people of the Soviet Union a corresponding quantity of rice and other commodities of Burmese production. In Hanoi and Ulan Bator Mikoyan conferred with the leaders of these countries (bordering China) and addressed large scale open air public meetings. Mikoyan's visit-to South-East Asia was for the purpose of cementing the results of the previous visit of Bulganin and Khrushchev.

In Peking Mikoyan signed an agreement on Soviet assistance in the construction of 55 additional industrial enterprises in China to the value of 2,500 million roubles. The communique on this agreement described in length the Soviet part and then merely added that, "The Chinese Government will defray this sum through trade procedures"; that is, by additional exports of Chinese commodities and goods.

The Soviet Union has demonstrated her desire to strengthen the ties of friendship with China and other Asian countries, while at the same time emphasizing her unique capacity to implement this desire by economic assistance on which China still depends, and to underline the leading position of the Soviet Union within the "camp of socialism." It is in this context that the line of collective leadership and fight against cult of the individual, proclaimed now by the Kremlin and re-echoed by all countries of the Soviet bloc, should be seen. This new line is not exclusively dictated by internal Soviet considerations. Pravda (March 27) in the editorial article "Why the Cult of the Individual is Alien to the Spirit of Marxism-Leninism" stressed that "the people are the genuine makers of history" and that the October Revolution was accomplished by the majority of the people and "therefore it was a people's revolution." The next sentence of the article proclaimed "Such a people's revolution was the great Chinese revolution, the revolutionary transformation in all the people's democracies." This is a warning that no Chinese leader should build up for himself a special position. The Moscow rulers having-at least for the time being—agreed, that no one should take over Stalin's position in Moscow, are even more anxious that no "leader" should be tolerated in any other country of the Soviet bloc . . . not to speak of a leader who could achieve the position of a



"regional leader." And is Mao not the predestined personality to take over the leadership of all Asian Communists—or even of Communists of all under-developed countries? It is not easy for the Communist Parties and their members to overcome the past which lasted for decades and during which the decisions were not taken by them but for them. Therefore, the warning to China.

The Chinese understood the warning and the editorial article in People's Daily, Peking, declared, that "We must be vigilant against the possibility that some people, who obtain the high confidence of the masses because of the many achievements in the work of the party or the state, may use this confidence to abuse their authority and make mistakes." Will such statements allay Moscow's suspicions? The same article contained the following sentences: "Marxism-Leninism acknowledges that leaders play an important role in history. The people and their party need outstanding personalties who can represent the interests and will of the people and stand in the forefront of the historic struggle to lead them. To deny the role of vanguards and leaders, is completely wrong."

With Stalin's death a new era has begun, and it is difficult to foresee where the new trend will lead, particularly as certain events have their own dynamics, not anticipated by their originators. In addition, simultaneously with the destruction of the Stalin cult, Moscow began to indulge in eulogies of Lenin-the founder of the Communist Party and of the first Socialist state in the world. The Chinese are participating in the destruction of Stalin's cult (going even further than the Moscow public pronouncements) and in this connection they quote Lenin extensively. But, is there not a possibility that one day Mao's position in the minds of Asian Communists will become that of China's Lenin—the founder of the first Asian Socialist state with a population three to four times bigger than that of the Soviet Union? In fact, the level of Mao's writings and his personality is comparable with that of Lenin and not of Stalin.

The Soviet attitude towards China remains the most difficult problem of the inner Soviet bloc relations. Russia wants fraternal relations with the People's Republic of China for political and strategic reasons (economically China is still a liability to the Soviet bloc due to the low standard of living of China's population). At the same time Soviet leaders are anxious that Moscow's position within the Soviet bloc should not be rivalled by Mao personally or by Peking generally. To find the solution for these two considerations is Moscow's dilemma.

KOREA AND THE GREAT POWERS

By Yongjeung Kim (President, Korean Affairs Institute, Washington)

IN order to devote more space to the Korean question in relation to the West I shall not enumerate the many faults of the USSR, but I by no means exonerate Russia from its part in bringing to Korea the greatest tragedy in our history. On the contrary, everyone knows that the primary responsibility for hardening the division of my country rests with the USSR. Inasmuch as Korea is an integral part of Asia and her problem is similar to those of discontented peoples in other parts of the world, her case should be examined in this context.

The international crisis seems momentarily to have shifted from the Far East westward. The attention of leading chanceries and the Press has so gravitated to new trouble spots that the grotesque picture of Korea has been obscured. Long-brewing troubles have finally come to a head in the Middle East, Cyprus and North Africa. The West, which has let its ideals stagnate amid the luxury of material progress, underestimates the mental processes involved in the struggle of underprivileged and downtrodden peoples to regain their political and economic rights. They are no longer timid in their demands. They are convinced that right is on their side. For better or for worse, they like to make their own decisions and run their own national affairs. They are determined to live the way they want and not necessarily the way the West wants them to. These people can no longer be subdued by a show of force but only by a show of goodwill and understanding. It would be perilous for the West to ignore this reality and to display indecision and reluctance to meet the inevitable consequences growing out of old inequities.

It is useless to condemn Communists for all the unrest; such frustration will only strengthen their hand. This is a negative way to assuage aroused peoples who are clamouring to better themselves politically and economically. To capture the minds of men the West needs to restore dynamism in its policies and ideals as well as in its industries. Emergency measures and temporary expediency will not suffice. As long as the West says and does things which eastern nations do not like, it cannot win them. They detest their experience with colonialism and imperialism. They remember bitterly what foreign intervention, gunboat policies, power politics, wars and occupations have done to them. It seems pointless for the West to try to save or prolong a dying cause. No matter how good western intentions may be, military pacts or defensive alliances have aroused the suspicion of many Asians who wonder why the West needs their help to defend itself. The most dependable alliances and friendships are inspired voluntarily rather than arranged under compelling circumstances.

The West has wasted an enormous amount of treasure and effort only to alienate hundreds of millions of people who would otherwise be friends. The democracies must either conduct an "agonising reappraisal" of their policies in Asia so as to restore faith to the disappointed peoples, or else suffer the consequences of more agonising losses.

No matter where disturbances may occur the great powers of both East and West must not lose sight of Korea. The trouble began in that liberated country in 1945 when the friendly, homogeneous nation was arbitrarily divided—an act of injustice catastrophic to all. Millions have since been killed and the country laid waste. It is in Korea where the East-West cold war turned hot and then cold. It has not vet turned hot again, but a smouldering flame can burst out again in time. Nobody won and nobody lost in Korea, yet no one learned a lesson. In that country every power's interest takes precedence over Korea's. Now the contestants in Korea seem to be girding for a long-term struggle in which each side will try to wear out the other. Such a build-up of the two antagonistic fledgling regimes will only prolong Korean suffering. These Korean wards in the North and South thrive on cold war, but the great masses of the silenced population fear another holocaust. They deplore what is going on but are powerless to remedy the situation. They consider the two existing regimes undesirable offspring of East-West power politics which cannot survive without foreign support. These hungry, ragged people ask in despair how long they must be victimised in the international power struggle. Under the pressure of misery and poverty, suicides are frequent. Koreans, as well as other Asians, know that the creators of their fledglings have the power to banish them in favour of unity and independence for the Korean people. As long as two ruling groups are fostered, Korea's national interest will be doubly jeopardised.

Since no unbiased, authentic information is available from the Communist North, it is difficult to make a fair assessment of conditions there. But one thing is certain: it is no Utopia. On the other hand, can western democracy conscientiously present South Korea to the rest of Asia as its showcase? Although Koreans are not politically as wise as citizens of the leading nations, they know what they want and what is good for them. Would the people of England tolerate a division of their country under two armed camps? Would they tolerate governments like the ones in Korea?

Despite the armed respite in Korea today there is much grumbling discontent. The great powers should not overplay their hand. Continuing their present policies will make the problem more difficult to solve and brew greater trouble for themselves later. The eleventh hour is nearing. The great powers need not seek a magic formula for the solution of the bitterly contested issue. Koreans believe a just settlement can be found if the foreign guardians respect Korean rights and desires. These powers ought to know that a reasonable agreement can be reached, but unfortunately they place coldwar considerations above Korea's primary interests—freedom and unification. They are still preoccupied with trying to

remake Korea in their own image. It would be well to recall the proverb "You can lead a horse to water but you cannot make him drink." A people with 43 centuries of history cannot be converted permanently by pressure or force. They will continue to live as Koreans with their own ideals. In 1924 General Kikuchi, then Japanese Commander-in-Chief in Korea, angrily told the Press that "a thousand years may pass, but the Japanisation of the Korean people will never be realised."

No nation should try to place Korea in its orbit. She is surrounded by three big neighbouring states, none of which would tolerate her control or influence by anyone else. That is historical fact. Her geographical position clearly calls for neutrality in the interest of maintaining her own peaceful development as well as promoting tranquillity in that region. Fortunately the establishment of a "unified, independent and democratic state" for Korea has long been agreed upon by all the great powers as well as the United Nations. They have also proposed uniting the country by formation of an all-Korean government through nationwide "free elections" on the basis of universal suffrage, "proportional representation" according to population, "international supervision" of elections and "withdrawal of foreign forces"-but no practicable details have been worked out to implement these basic principles. The feeble negotiations at the political conference on Korea held at Geneva in May, 1954, ended in mutual distrust and condemnation, with the details of practical business left unexplored. On this score, at least, the leading nations have seemed too conscious of saving face to act like truly great powers.

The Korean people wholeheartedly approve these suggestions for breaking the international deadlock over their future, but they have had all too many tantalising disappointments. Now they doubt whether the great powers are really sincere in wanting to see Korea become united and indepen-

dent, or whether—behind the empty words—they are trying to use the war-torn country as a contesting ground in their power struggle. Such suspicions, rightly or wrongly, are shared by other Asians. The West should not be a party to the partitioning of any homogeneous nations, but instead should champion the cause of reuniting divided nations. Now is the propitious time for the West to initiate a settlement of the Korea question. Such positive action would pave the way for regaining the confidence of peoples in other discontented areas as well. A conference of all interested parties should be called at the earliest possible date to negotiate a settlement along the lines of the proposal set forth at Geneva by Sir Anthony Eden, then Foreign Secretary of the United Kingdom, on May 13, 1954. This reads as follows:

First, elections should be held for the formation of an all-Korean government.

Second, these elections should truly reflect the people's will, taking account of the distribution of the population between North and South.

Third, they should be based on universal adult suffrage and the secret ballot. They should be held as soon as possible in conditions of genuine freedom,

Fourth, they must be internationally supervised, and in our view this supervision should be conducted under the auspices of the United Nations. The countries selected need not necessarily be those who have taken part in the Korean war: there could be a panel of countries acceptable to this conference,

Fifth, any plan for a settlement of the Korean question must provide the conditions in which foreign troops can be withdrawn.

These five principles seem fair and just enough to compose existing differences. The reaching of an equitable solution along these lines would dispose of at least one explosive international issue and would give the Korean people a peaceful new lease on life. Moreover, all other restless, underprivileged peoples would also acclaim such a long-desired success. This might well be a starting point in reconfirming democratic ideals and revitalising democratic leadership in a peaceful world of tomorrow.

Indonesia goes Forward

By Robert C. Bone (The Hague)

WHEN President Sukarno announced his official approval on March 20 last, the sixteenth Cabinet since Indonesia declared its independence in 1945 came into being. But although sixteenth in chronological order, this second Cabinet within three years to be headed by Dr. Ali Sastroamidjojo of the Nationalist Party has the historic distinction of being the first based on a popularly-elected Parliament. Included in the cabinet are representatives of eight parties which control 189 of the Parliament's 273 members and received 71 per cent of the total vote cast in last September's parliamentary election. Holding 16 of the Cabinet's 24 portfolios and furnishing 159 votes (57, 57 and 45) in its parliamentary support are the big three of Indonesian politics, the Nationalist, Masjumi and Nahdatul Ulama parties. Also included in the Cabinet with two ministries each are representatives of such long-prominent political groups as the Catholic, Protestant Christian (Parkindo) and United Islamic (PSII)

parties. Also included in the Cabinet, with one minister each, are the Perti, a conservative Muslim party of central Sumatran origin which obtained four seats in the election, and the IPKI, organised shortly before the election as a political vehicle for the veteran's movement, which also won four seats. The roster of ministers is completed with the familiar appearance as Minister of State for Planning of Dr. Djuanda, an independent who has the distinction of having held office in almost every Indonesian Cabinet since 1946.

Of the ten Indonesian parties with four or more parliamentary seats, only the Communists (39 MPs) and the Socialists (5) are excluded. Socialist participation had seemed dubious ever since the election results of last September when the party received a meagre 750,000 votes out of the nearly 38 million total. Coupled with this was the long-standing hostility towards the party both by the powerful Nationalists and President Sukarno himself. The case of the Communists

was somewhat different, however.

The party had emerged from the election as one of the first four, having received over 6 million votes and winning 39 seats-possibly 41 if the member elected by the Communist Youth Group (ACOMA) on a separate list, and another fellow-traveller, representing BAPERKI, are counted. Added to this was the fact that during the period (August, 1953, to July, 1955) of the first Ali Sastroamidjojo Cabinet, the Communist Party, in pursuit of its national front policy, had been one of that Cabinet's main parliamentary supports. Neither of the two major parties in that Cabinet, the Nationalists nor the conservative Muslim Nahdatul Ulama had seemed to have any scruples over accepting this support. Indeed, a left-wing group of older Nationalist leaders apparently saw a close identification between their own doctrine of "proletarian nationalism" (marhaenism) and Communist ideology. The Communists, for their part, did nothing to disturb this pleasant illusion. Working tirelessly and moving circumspectly, the party concentrated its fire on its two chief enemies, the Masjumi and the Socialists, while attempting to soothe the Nationalist and Nahdatul Ulama parties with a string of statements on the need for unity of all progressive forces and the high respect which it felt for Islam.

During the brief (July, 1955, to March, 1956) but hectic life-span of the Masjumi-led Harahap Cabinet the Communists had joined with the Nationalists to furnish a potent parliamentary opposition. Although, following the election, the younger group within the Nationalist Party was reportedly disturbed over the strong showing made by the Communists, just prior to the formal announcement of the new Cabinet there seemed to be a strong likelihood of

their inclusion.

It was precisely this issue of Communist participation which furnished the one stumbling block to an otherwise remarkably brief (7 days) and efficiently conducted period of Cabinet formation. On March 9, the President appointed Dr. Ali Sastroamidjojo as formateur with a mandate to form a Cabinet with "sufficient" parliamentary support within a period of one week. Apparently the crucial question of whether again to seek alliance with the Communists or to seek a revival of the old coalition with the Masjumi which, before 1953, had formed the traditional basis for Cabinet organisation, was settled at a meeting of the Nationalist executive committee the following day. A Dutch correspondent, who interviewed a party leader immediately after the meeting, reported that the party executive had decided that unity between the three big parties was essential, that the Nationalists would not work with the Communists and no Government should exist only by grace of Communist support. Implicit in this decision seems to have been a victory of the new post-war generation leadership of the Nationalists over the older generation of leaders who cling tenaciously to their concept of proletarian nationalism and, unaware of the real nature of Communism, nurse their old political grudges against the Masjumi.

Supporting this conclusion is the fact that, aside from Dr. Ali himself, all of the Nationalist representatives in the Cabinet, notably the new Minister of Foreign Affairs, Ruslan Abdulgani, come from the post-war leadership. Indeed this increasing shift to leadership by the post-war generation in all the parties, most notably the Communist, is one of the most interesting and significant long-range developments in Indonesian political life today.

Once the decision had been taken to cooperate with the Masjumi, which had expressed its willingness from the start, the actual Cabinet formation experienced no difficulty. Interestingly enough, in addition to the conventional discussions with leaders of other parties, Dr. Ali also met with the chiefs of staff of the armed forces. Allegedly the meeting was concerned only with a discussion of the perennial internal security problem but, in view of the role played by the Army last July in forcing the resignation of Dr. Ali's first Cabinet, much more may have been involved.

In part at least the Cabinet's lack of perfection in the President's eyes seems to have consisted in its failure to give any representation to the Communists, Dr. Ali is reported to have, at the last moment, attempted to insert the name of a Communist sympathiser in his list but was forced to abandon this idea under strong Masjumi pressure. Officially the President's delay in accepting the list was caused by his desire to receive further information about various of the new ministers. The next four days saw a series of conferences between the President and the leaders of the three big parties, particularly the Nationalist. As in the case of Dr. Ali the previous week, the President conferred also with the chiefs of the armed forces-again officially only to discuss security matters. However, once again the effort to insure Communist representation failed against the steadfast opposition of the Masjumi, supported by its two long-time allies, the Catholic and Protestant Christian parties. As a result the proposed list of ministers was finally accepted without change. With an obvious eye to the future, Communist comment on the, to them, disappointing composition of the new Cabinet attributed the result to the machinations of the Masjumi which had prevailed over the good intentions of the Nationalists and Nahdatul Ulama.

But however temporarily thwarted it may be, "the new model party of Asian Communism," as a British journalist recently described the Indonesian Communists, will continue to play an important role in political affairs. It seems unlikely that the party will go into open opposition. Far more probable is a course of watchful waiting, consolidation of election gains and selective opposition to various Government measures-most probably those sponsored by Masjumi or Christian party ministers. In the meantime the party will undoubtedly do all it can to fan anew the old hostility between the Masjumi and the Nationalists. In this way it may well be successful. For recent political history provides all too many examples of the disintegration of multi-party coalition Governments which lack a sufficiently strong parliamentary opposition to enforce harmony. The most probable point of future dissension within the Cabinet lies in the realm of economic affairs over which there has always been a considerable divergency of opinion between the Nationalists on the one hand and the Masjumi and Nahdatul Ulama on the other. Actually the most striking thing about the composition of the second Ali Cabinet is its dominance by the six (four Islamic and two Christian) religious parties. Aside from an IPKI Minister for Veterans' Affairs, the Nationalists as the only other non-religious group in the Cabinet hold only the premiership, foreign affairs, education, agriculture and labour. Significantly, Dr. Ali is currently as Defence Minister ad interim which would seem to indicate an intention on the part of the Nationalists to deal forcibly with the long-standing revolt of the extremist Islamic Dar-ul-Islam group towards which the Masjumi and Nahdatul Ilama have favoured a more concilliatory approach.

Neither the Cabinet programme itself nor Dr. Ali's first policy statement on April 9 foreshadowed any notable changes in Indonesia's basic policy of an independent but active participation in world affairs. Denying any anti-western orientation, Dr. Ali nevertheless announced Indonesia's willingness to receive financial and technical aid from any available source in the interest of replacing the old colonial economic structure with a "system of national economy." High on the foreign affairs agenda of the new Cabinet will continue to be the effort to force Dutch cession of West Irian (New Guinea).

While, as the President said, the new Cabinet is not "perfect," there are many reasons for optimism. Among its personnel, in addition to such experienced political figures as

the Prime Minister himself, Dr. Mohammed Roem, Dr. Jusuf Wibisono, who again as in the Sukiman Cabinet holds the important Finance post, and Dr. Djuanda, are several promising younger men, notably Ruslan Abdulgani in the Foreign Affairs Ministry. Certainly as a group the members of the Cabinet are reasonable and moderate men. Lacking Communist pressure, the foreign policy of the second Ali Cabinet seems likely to be far more impartially non-Communist and non-western than was that of the first. The dominance of financial and economic affairs by the Masjumi and Nahdatul Ulama with the practical experience and excellent theoretical training of the ministers involved should go far to soothe the fears of foreign investors.

The financial, economic and security problems confronting the new Cabinet are many. But it is in a position to tackle them as has no other Indonesian Cabinet secure in the knowledge of an overwhelming mandate from the electorate. And the period of the Cabinet formation, which in its harmony and efficiency, could well serve as a model for far older democracies augurs well for continued cooperation among the Government parties. Whether the present Cabinet will be able to serve its full potential term of four years remains to be seen. But its formation, following on the success of last autumn's election, gives yet further indication that the stormy adolescence of South-East Asia's young giant is drawing to a close and that full political maturity is well on the way.



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ASIAN SURVEY

SINGAPORE'S MERDEKA

By Our Special Correspondent in Singapore

THE negotiations which Mr. Marshall's "Merdeka" Mission is having with the Colonial Office will, no doubt, remove the fears of the Singaporeans that London had changed its mind and that, particularly after the Ceylonese election results, Britain would refuse to grant independence to the Colony. In Singapore, too near to the problem and too far from London, one sometimes cannot see the wood for the trees. Banner headines daily convey the impression that new, important changes have taken place either in the demands or the chances of the delegation. Yet, on closer scrutiny, it appears that the wishes as well as the arguments of Singapore are pretty clear.

At the beginning of last month the Legislative Assembly passed a resolution which, in the form of a secret Memorandum, was sent to the Colonial Secretary, Mr. Lennox Boyd, well in advance of the Mission's arrival in London in order to acquaint him with their demands. The Memorandum ably outlines Singapore's qualifications for independence and answers in advance some of the arguments which could be expected to be raised against it. It points out that Singapore, though small, has a population and a revenue larger than at least six of the member states of the UN. In fact, of the 70 UN nation no less than 16 have revenues smaller than the Colony. The Memorandum admits Singapore's strategic importance, but denies that a continuation of colonial rule will enable Britain to make adequate use of that strategic position. It admits the danger of Communist "infiltration and subversion," but points out that Communism is encouraged by colonial rule because "anti-colonialism" is made a Communist slogan and likely to confuse issues as it did in Indo-China and the Federation of Malaya. There has been disorder under British rule, the Memorandum continues, but there is likely to be more, so long as the Communists can ride on the "merdeka" bandwagon. While internal security must be under local control, the delegation is prepared to consider proposals for safeguarding the security aspect of external defence establishments.

It would, indeed, be dangerous to deny independence to Singapore. The mood of the people is geared to this aim, and the fact that independent status has been promised to the Federation of Malaya by August 1957, makes it imperative to show the same understanding for the wishes of Singapore. It cannot seriously be maintained that the people of Singapore are less competent to govern themselves than the people of the mainland. Indeed, the future of the Colony is closely interwoven with that of the Federation, even if Tunku Abdul Rahman refuses to acknowledge this at present. It is true that Malay nationalism is afraid of a Chinese majority which the Federation would acquire in the case of a merger with Singapore, but the rightful demands of the Chinese population of the Federation will have to be met, majority or no majority, otherwise there will be bloodshed. It has to be faced that the Chinese, not because of their numbers, but on account of their skill, energy and drive are setting the pace on the peninsula as well as on its island appendix. Mr. David Marshall, Chief Minister of Singapore, sees this issue clearly. He maintains that the Federation needs Singapore as much as the latter needs the mainland. It is his view that independence will greatly increase the stature of both countries and that together (preferably as one unit) they can occupy an important and influential place among the nations of Asia, attaining the position of a stabilising point in this part of the world. He considers the Tunku's fears as a misconception of the mood of the Chinese and as an inadequate appreciation of the character, capacity and loyalty of the Chinese. He hopes that within the next two years, if not earlier, the Tunku will find a merger possible, as "Singapore needs the Federation as a thumb needs the four fingers, while Malaya needs Singapore like the hands need the thumb."

Mr. Marshall envisages for Singapore a status of independence within the Commonwealth by which it would accept British advice in any aspect impinging on British foreign policy, but in matters of foreign affairs touching on the new country's trade interests, Singapore's advice should be accepted. A case in point is trade with China which he wants to start as soon as possible, as he considers it illogical that Singapore should be deprived of its livelihood while European goods, which originally came from Singapore, find their way into China via Russia. There is, in any case, already considerable indirect trade with China and the Colony. Sewing machines, bicycles, fountain pens and textiles from China are flooding Singapore via Hong Kong, their imports having increased by 200-300 per cent during the past year. It is strongly felt that the embargo on rubber to China should be lifted immediately.

Whether independent or not, Singapore's economic problems will soon command the attention of whoever is in power. The colony's population of 1,250,000 (76 per cent of which is Chinese) is growing at the staggering rate of 4 per cent a year. Singapore is almost exclusively a brokerage city with hardly any industry, and employment will be difficult to find for this growing population, which cannot all be absorbed by commerce. Mr. J. M. Jumabhoy, Minister of Commerce and Industry, is, therefore, preparing the ground for the creation of secondary industries which would produce consumer goods. The formation of a finance corporation is under consideration which would, with Government assistance, extend credits to suitable new enterprises. However, Singapore will be unable to protect her new industries by tariffs or taxes, as this would affect the island's main asset, namely its entrepot trade. Further, Singapore is too small to use all the products of her future industries herself, and markets will have to be found, the most obvious one being the Federation of Malaya. Thus the question of cooperation with the mainland will also have to be examined with this in mind.

But there are many other problems which an independent Singapore will have to face. Mr. Marshall, who describes himself privately as "pathologically anti-Communist," is particularly concerned with Communist subversion. But neither he nor any other of Singapore's responsible ministers or politicians can give a rational indication as to exactly what this "subversion" consists of, how strong and effective it is, and why it is so "dangerous." It seems more likely to be one of those accepted bogey scares which keep politicians going and, in some cases, US aid coming in. As long as the Communist Party is not legally recognised and invited to come into the open both in Singapore and in the Federation, any assessment of its strength and danger potential will have to be taken with a grain of salt. In fact, this constant fear of an "unseen enemy" may create an atmosphere of panic, suspicion and secret police rule which would poison the democratic life of any country.

Another question of importance is that of "Malayanisation" both from the constitutional and technical aspects. There has been some confusion regarding the first, as some tend to define it as "Asianisation" which would mean a colour bar in reverse. It is this uncertainty which induces some in the Colony to waver in their desire for immediate independence, as they are not convinced that the country is yet ready to provide the local manpower necessary for the smooth running of civil and political administration. Mr. Marshall, who defines "Malayanisation" as equal status and opportunities for all irrespective of race or religion who have spent a certain number of years in Singapore, could do much to alleviate the prevailing uncertainty by making his definition public. The Chief Minister is incorruptible and honest. When he maintains that Singapore has grown up and that she demands the keys of the house, they should be given to him, especially as the UK has nothing to lose except the burden of political control.

MALAYA

Trouble Ahead

From Our Kuala Lumpur Correspondent

Perhaps Tunku Abdul Rahman, Chief Minister of Malaya, was wiser than he imagined when he added the words "if possible" to the demand of the Alliance for independence by 1957. All that Rahman asked for in London was agreed upon. At their request it was left to the Alliance to solve their own internal difficulties: they asked for a Constitutional Commission to be set up to make recommendations. Canada, Britain, Australia, India and Pakistan have each been asked to nominate a member. Lord Reid will be the chairman.

But even before the Commission has met, serious trouble is developing between the three million Malays, the two and a half million Chinese and the three-quarters of a million Indians, Ceylonese and Eurasians. For a year or more communal differences have, by common agreement between the Malayan Chinese Association, the United Malays National Association, and the Malayan Indian Congress, been set aside. These racial organisations argued: we must ignore the racial wedges which keep us apart and unite for Merdeka (freedom).

On this platform the Alliance won 51 out of 52 seats in the general election. This was a demonstration, and a demand, which the British Government could not ignore.

So Rahman came back to Kuala Lumpur from London with the firm promise of independence in his pocket. Now this complicated federation of nine Malay States and two British Settlements must face up to its difficult racial problems, as well as face the overall puzzle of how to make a nation. This calls for a constitution and a nationality. No commission ever had a harder job. Even if they reach agreement among themselves there is no certainty that their recommendations will be graciously accepted by the Malays and the Chinese. Compromise between opinions which are so far apart will be most difficult. For example: the Malays insist that this small country (roughly the size of England without Wales), must remain a federation of nine separate States (each with its own Sultan) and two British settlements. There must be a common nationality for the whole Federation. At the same time (a) the special position of the Malays must be safeguarded, and (b) the Commission is authorised to make recommendations, if thought fit, which will allow British subjects, or subjects of the various nine Malay States, to retain their present nationalities, in addition to their common nationality.

At present all adult Malay men and women have votes (880,000 voted for the Tunku's Alliance); but fewer than 130,000 Chinese are eligible to vote—out of two and a half million. This is a state of affairs the Chinese are not prepared to accept in an independent Malaya. They demand, and with an increasingly loud voice, that all born in the country should automatically become Malayans. In their present mood the Chinese will not accept anything else. For their part the Malays are equally certain they are not going to let the Chinese run the country politically as they (with the British and, to a much lesser extent, the Indians) already control the country's commerce and trade.

On top of all this is the vexed question of Singapore. Most people in Malaya now believe that Singapore will probably get independence easier from the British than they will get merger with the Federation. For this would add to the worries of the Malays, frightened by the possibility of an influx of yet another Chinese million. Yet, if nothing is done, if the Federation continues to give the cold shoulder to Singapore, this will almost certainly cause distress and probably resentment among the Chinese in the Federation.

Meanwhile, Chin Peng, leader of the Communist guerillas, continues to derail trains and rob Home Guards of their weapons, attack planters, and generally make himself a nuisance. Tunku Rahman has spurned his offer to meet again to discuss an end to the revolt, and has threatened to intensify the war. How Rahman can do this remains to be seen. If there is anything he can do which ruthless General Templer did not do, I shall be most surprised. At present the war is costing Malaya £1 million a month. The Tunku now threatens new measures which will cost more money. If he carries out this threat he is sure to lose support, rapidly, from his Malay supporters who voted him into office to get a higher standard of living. So far Rahman has not produced this. What with one thing and another there seems to be trouble ahead for Malaya.

CAMBODIA

At The Cross Roads

From Our South East Asia Correspondent

Cambodia today stands at the cross roads. The nation is faced with a crisis. Foreign countries are trying by blockade to strangle the economy of Cambodia. The adoption of neutrality by Cambodia has aroused the hatred of the United States which ignores the fact that Cambodia decided at the Bandung Conference to adopt a neutral policy in the presence of 28 countries of Asia and Africa. There, at Bandung, Cambodia reaffirmed its need for friendship with all other countries prepared to treat Cambodia with equality. Today Cambodia is friends with Japan and the Peoples Republic of China. Soon the Soviet Union will establish an Embassy in Phnom Penh. Relations with the United States, on the other hand, have never been so bad.

To some extent this is due to a clash of personalities between Prince Sihanouk, the former Prime Minister and exking, still Cambodia's most powerful figure, and Robert McClintock, the United States Ambassador in Phnom Penh. During a recent visit to the Cambodian capital I met not one Cambodian, from trishaw rider to palace official, who did not know that Big McClintock was never without a big dog on a lead and a stick under his arm-and that this annoved the Prince, and consequently all the other Cambodians. All was well until Sihanouk took Mr. Nehru's advice, resisted subtle suggestions that Cambodia should join SEATO, and paid an official visit to China. This made the Americans very displeased. When Sihanouk visited the Philippines clumsy efforts were made to persuade him to join SEATO; in the end he was offered a beautiful television star. Furious, Sihanouk flew back to Cambodia, blaming (probably unfairly), the Americans for engineering it all. When he visited China he was treated most correctly. Not once was the question of Cambodia recognising China even mentioned. Upon his return Sihanouk declared pubicly: "Mr. Chou En-lai and I have become close friends.'

Sihanouk declared Cambodia could not join SEATO because the Cambodian people consider SEATO to be a military bloc and participation would be a violation of the Geneva Agreement. This is the view constantly expressed by Mr. Nehru. It is obvious that Sihanouk values India's friendship higher than America's dollars. Meanwhile, Ngo Dinh Diem has closed South Viet-Nam's frontiers to Cambodia, and

Any questions about

MALAYA?

(FEDERATION OF MALAYA AND THE COLONY OF SINGAPORE)

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Thailand has started a series of border incidents. In all this it is not difficult to imagine the brink-of-war principles of Mr. Dulles's diplomacy.

Where it will all lead to no one can be sure. The Americans are confident they can weather what they consider to be "Sihanouk's antics," mainly because the Cambodian Treasury is almost empty. I think they underestimate public opinion. Sihanouk and the people of Cambodia—like the people of Viet-Nam and Ceylon, Burma and Indonesia, India and China—are all part of the contemporary Asian Revolution. Cambodia wants to be free of the white man and has no wish to exchange French colonialism for American paternalism. Aid from Asian China, even from partly Asian Russia, certainly from Asian India, Cambodia would be willing to accept; and if the United States does not take her blundering in Cambodia seriously, then the odds are that Cambodia will, if forced, tighten her belt and move left. If this happens a great deal of the blame must go to the American Embassy in Phnom Penh.

CEYLON

End of an Era

From a Correspondent in Colombo

The recent General Elections in Ceylon are widely regarded as the most crucial the country has held since it achieved Independence in 1948. The results have a tremendous significance, not only in internal affairs, but in the sphere of international politics. The conduct of the voters at the elections was orderly; and the people went to the polls in unprecedented numbers. The salient fact about the elections is the complete rout of the United National Party (UNP), which had been in power for a period of about eight years (1948-1956).

The Government of Sir John Kotelawala had failed signally to solve any of the major problems facing the country—unemployment, the rising costs of living, the Indo-Ceylon problems, and the dissatisfaction, among the mercantile clerks. It was not generally expected here that the United National Party would win the elections; but no one thought that it woud be so decisively defeated. Most of the Cabinet ministers lost their seats and the Speaker of the House of Representatives (the lower House) was also beaten by an Independent candidate. The defeat of the UNP is more than the mere defeat of a "Party." It represents the end of colonialism in Ceylon, the end of western influence in Ceylon, the ignominious collapse of "bourgeois capitalism," and the dawn of a new era of freedom for the country.

The causes for the defeat of the Government party are not too far to seek: the Government leaned heavily on America and the United Kingdom much against the will of its people; again, the Government turned a deaf ear to the demands of the workers, and the mercantile clerks; and last, but not least, the "unwise" statements made by the Prime Minister on various occasions. Some observers have not hesitated to attribute the complete rout of the UNP to the "personality" of the Prime Minister, Sir John Kotelawala.

In the sphere of domestic affairs, the new United Front Government, under the Prime Ministership of Mr. S. W. R. D. Bandaranaike, will bring about certain far reaching changes. Religious affairs is one such case, Mr. Bandaranaike's United Front victory was due in part to the great interest its

leader showed in Buddhism, and the support that the Buddhist Sangha (Order of Monks) gave him. This is the year of the "Buddha Jayanthi" (the 2,500th anniversary of the death of Lord Buddha) and in May it is celebrated in Ceylon on a grand scale. The avowed intention of the new Prime Minister is to "restore Buddhism to its rightful place," as it has suffered during the long period of colonial rule (450 years). In some quarters the view is expressed that Buddhism might even be made the State religion. On the question of the State language, Mr. Bandaranaike said: "We are committed to introduce Sinhalese as the State language without delay." The new Government will pursue a policy of "progressive nationalisation" of all the 'bus services, all essential industries, foreign owned plantations, banking and insurance. The previous Government (UNP) fostered "private enterprise" in almost every sphere.

It is in the sphere of foreign affairs that the most significant changes will take place, changes which will profoundly affect the balance of power in South-East Asia. Ceylon occupies a very strategic place on the world map. Fundamentally, the new Government will (like India) strive to steer ahead of both power blocs, American or Soviet, and adopt a policy of "dynamic neutrality." Mr. Bandaranaike will vigorously pursue a policy which will ensure very close collaboration and cooperation between Ceylon and other Asian countries in various spheres, particularly defence. In other words, Ceylon will adopt the principles of the "Pancha Sila" as enunciated by Mr. Nehru and Mr. Chou-En-lai. Mr. Bandaranaike favours the establishment of diplomatic missions of Ceylon in the People's Republic of China and Soviet Russia.

Regarding the question of making Ceylon a Republic, and seceding from the Commonwealth, Mr. Bandaranaike has stated that these changes need an amendment of the Constitution with a two-thirds majority. Mr. Bandaranaike has now got the majority he needs, and it cannot be doubted that at the earliest opportunity Mr. Bandaranaike will, like India, declare-Ceylon a Republic and perhaps, unlike India, quit the Commonwealth.

INDONESIA

The Third Stage From Our Correspondent in Jakarta

Now that the Republic of Indonesia, for the first time, has a popularly elected Government, it has reached what President Sukarno has called the third stage in its development as an independent Asian nation. First stage was the physical revolution when the ties of Colonialism were broken. From 1950 until 1955, when Indonesia went through the second stage of its history: this was the period of survival. "Finally," declared the President at the opening of the new

Parliament, "we stand before a period which I shall call the third stage of planning and investment."

Realistically, the President drew attention to the fact that the election of a new Parliament did not mean that the democratic ideal had been realised. This was a timely warning. There is much work to be done, and Indonesia has lagged behind during the ten years of its independence. Economically Indonesia is in grave danger. Politically the dramatic abrogation of the Union with the Dutch was long overdue. The special position which the Dutch occupied was intolerable to nationalists fully aware that this meant economic colonialism.

It would have been sensible and advantageous to both sides if matters could have been regularised by agreement. But the Dutch persisted in hanging on to their stranglehold, even although they must have known that in the end this could only worsen the situation.

But it will need more than an act of Parliament for the Indonesians to free their economy from Dutch control. Tremendous hard work, some sacrifices and, possibly, foreign help, will be necessary before that can be achieved. Within three months Indonesia plans to take over all foreign-operated dock and storage facilities. At present almost all the harbour facilities in the country are in the hands of foreign firms. Socialists are disappointed that it is the intention, apparently, of the Indonesian Government to encourage Indonesian capitalists to buy up or take over the foreign-operated docks

and storage companies.

In foreign affairs the new Government will pursue an independent and active foreign policy, promote world peace and implement the resolutions of the Bandung Conference. Dr. Ali Sastroamidjojo, the new Prime Minister, has also stated that his programme will include a Five Year Plan for industrial development, and a conscripted national army. There is no reason to believe that Dr. Ali's Government will fail to maintain stability long enough to change the country's present colonial economy into an independent Indonesian economy. His own party, the Nationalists (PNI), polled well over 8 million votes; the Masjumi nearly 8 million; and the Nahdatul Ulama close on 7 million. Together these three parties, which make up the coalition Government, won 159 of the 260 seats. The fourth largest party, the Communist (PKI), collected just over 6 million votes, which entitled them to 39 seats. Sutan Sjharir's Socialist Party (PSI) attracted slightly more than three-quarters of a million votes-five seats.

The need for something to be done quickly in the economic field if the Five Year Plan is to be started off properly was emphasised by figures released recently of money sent abroad. Last year transfers of dividends by foreign enterprises from Indonesia totalled 750 million rupiahs. Most of the money went to the United States and Holland. These foreign companies, for the majority American and Dutch, include transport, culture, water supply and electricity. Indonesia paid 147 million rupiahs in pensions last year—to former Dutch Colonial employees. The Soviet Union has offered Indonesia economic assistance—without strings.

PAKISTAN

Political Manoeuvres

From Our Karachi Correspondent

Since the Constitution was adopted and the Republic proclaimed, it has not taken long to produce an important political crisis. The history of the struggle, now taking place within the Assembly of West Pakistan, began when Sardar Abdur Rab Nishtar, newly elected President of the Muslim League, called upon the Muslim League members of the West Pakistan Assemby to form their own parliamentary party. This mandate was duly observed and Sardar Bahadur Khan was unanimously elected leader. Thereafter, another resolution was adopted to the effect that as the Muslim League held a decisive majority in the West Pakistan Assembly, the Cabinet should be exclusively composed of Muslim Leaguers.

This latter resolution which, however, was not unanimous

but agreed to by only 131 members out of 204 present, struck directly at Dr. Khan Sahib, independent Chief Minister of West Pakistan. The selection of Dr. Khan Sahib for this post had been based upon the consideration that in order to make consolidation of the One Unit Plan as agreeable as possible to everyone, the Chief Minister should be independent and not involved in party affairs, he should enjoy wide respect and, of course, possess sound political experience and ability. Dr. Khan Sahib is very properly credited with all these qualifications and his appointment as first Chief Minister of the consolidated West Pakistan was agreed to by Muslim League leaders such as Mian Mumtaz Daultana and Mr. M. A. Khuhro. However, in view of his election as leader of the Muslim League Assembly Party and in view of the resolution that the Cabinet should be exclusively Muslim League in composition, Sardar Bahadur Khan, while still a Minister in Dr. Khan's Cabinet, addressed a letter to the Governor, Mr. M. A. Gurmani, informing him that as he commanded a majority in the House, he should be called upon to form a Government. A few days later, Sardar Bahadur Khan, Mr. Daultana and Mr. Khuhro, ostensibly in obedience to a party mandate, resigned their ministerships.

One of the consequences of this crisis was to bring about the immediate return of President Mirza from Azad Kashmir to Lahore where he made a statement criticising politicians who were "manoeuvring for power." This obvious interven-tion by the President, which he justified by reference to his oath to defend the Constitution and the country, evoked criticism and even the passage of resolutions deprecating his interference, which does seem to have been premature and, perhaps, unnecessary. Dr. Khan Sahib claims that he has a majority in the House and he expanded his Cabinet to fifteen members, a proceeding which called forth objections, addressed to the Governor, from his new opponents and which was, in any case, probably a device to assure support in the House, since the tendency in Indo-Pakistan politics is for small groups to exist within political parties and each group has its own unofficial, but nevertheless well-known, leader. The strength of Mr. Daultana in the Punjab has always rested on the fact that he commands the support of a very large group of this kind.

Dr. Khan Sahib has, furthermore, threatened that if necessary, he will ask the Governor for a dissolution and go to the people. To this, Sardar Bahadur Khan has replied that as Dr. Khan Sahib does not command a majority in the House he has not the right to ask for a dissolution. It is perfectly true that out of 306 members the Muslim League claims the allegiance of 245, but the weakness of Sardar Bahadur Khan's position is that the entire House was elected, not by popular vote, but by a system of indirect elections in which the number of people who actually voted was microscopic. Moreover, there is a good deal of evidence that many Muslim League members of the Assembly do not favour the course of action which has been adopted and which has been interpreted in some quarters as a subtle attack by Sardar Abdur Rab Nishtar on the Pakistan Prime Minister, Choudhary Mohamed Ali.

The two immediate conclusions to be drawn are that Pakistan still has much to learn about party politics and, secondly, that Mr. Suhrawardy may yet be able to say to Dr. Khan Sahib, "I told you so," for, as Leader of the Opposition, Mr. Suhrawardy prophesied, some months ago, that when he had served his turn, Dr. Khan Sahib would be thrown aside.

JAPAN

Constitutional Dilemma

From our Tokyo Correspondent

The revision of Japan's American-inspired Constitution of 1946 was one of the most important commitments of the present Hatoyama Government. All-out opposition to any attempt to change the, in his own words "ideal," basic law of Japan was pledged by Mr. Mosaburo Suzuki, leader of the recently re-united Socialist Party. Suzuki, a left-winger, is supported by a right-wing Socialist, Iotaro Kawakami, who sees constitutional revision now as cringing to American whims of political expediency.

The Diet was fraught with dramatic tension when the Government's first attempt to amend the Constitution was heatedly discussed in February last. A veteran Socialist, Mr. Gitaro Shimokawa, collapsed from an attack of cerebral anaemia in the Diet on February 16 when he charged the Government with plotting to revive the old Constitution of 1889 and with destroying democracy in Japan. The Socialist assault was directed against the Government's proposal, presented by Mr. Iwao Yamazaki, to establish a Constitution Study Committee to consist of 30 members of parliament and of 20 scholars with a view to "making a general study of the current Japanese Constitution from a new national standpoint" and to "studying the Japanese Constitution and deliberating on the various related problems." The ultimate aim of the Study Committee was made quite clear by Mr. Yamazaki who explained the necessity of revising the Constitution of 1946. However excellent a document, to many Japanese it is a "MacArthur Constitution"—as stated by Mr. Ichiro Kivose, Minister of Education, though he was compelled to retract this remark later — "forced upon Japan against the will of the people" and "pushed down through the throat of a prostrate Japan"—as Mr. Yamazaki expressed himself in the Diet.

Discussion of constitutional amendments began with the signing of the Mutual Security Agreement between Japan and the United States in 1952. Under this Agreement, Japan is required to establish and to maintain armed forces. This requirement obviously constitutes a violation of Article Nine of the Constitution. As long as Japan's defence forces could be called, even with some stretching of the conception, "police forces," a revision of the Constitution was not regarded as urgent. Now Japan's forces have grown out of their embryonic status, it will become necessary to amend the Constitution if it is not to become meaningless.

Some few weeks ago Mr. Hatoyama, the Prime Minister, replied to a Socialist interpellation in the House of Councillors that he opposed the present Constitution which prohibits the possession of an army, navy and of aircraft. The Socialist opposition was quick to seize the opportunity to charge that this statement violated Article 99 of the same Constitution which reads: "The Emperor, or the Regent, as well as the Ministers of State, the members of the Diet, judges and all other public officials have the obligation to respect and to uphold this Constitution." However, the views of the Government were elaborated by Mr. Naka Funada, Director of the Defence Board, when he told the House of Representatives Standing Committee of the Cabinet that for the purpose

of self-defence and failing other means Japan was entitled to bomb enemy bases in order to protect herself. However, he denied that Japan had the right under the present Constitution to dispatch an expeditionary force to attack such a base. Mr. Funada's stand on the right to order military planes to bomb an attacking enemy base was supported by Prime Minister Hatoyama's written statement to the Diet. The Hatoyama Government has consistently affirmed that Article Nine does not exclude Japan's legal right of self-defence. The recent Funada-Hatoyama statement did not result in any uproar or emotional debate. The right of self-defence is being accepted by the public in Japan. It is no longer questioned.

Article Nine is not the only one, according to the prorevisionists, requiring amendment. The Constitution has many other provisions which do not meet the present situation in Japan. Government circles feel that the position of the Emperor has to be clarified. While nobody in the Government doubts the fundamental fact that sovereignty rests with the people of Japan and nobody wants to increase the imperial prerogatives, it is not absolutely clear whether the Emperor is the head of the state or not. The present constitutional designation of the Emperor as the symbol of the state calls

for further clarification.

Wide circles in Japan seem still to be opposed to a forceful and hasty revision of the Constitution. It has served the people well during the fateful last ten years which have witnessed the gradual re-emergence of Japan. On the other hand, careful and cautious reviewing of parts of the Constitution has come to be regarded by many as an inevitable step on the road to what Mr. Hatoyama calls "real independence." Ten years ago, it was the Right who clamoured against the acceptance of the "American" Constitution. Today, the Left opposes any revision of the same Constitution as "American-inspired."

UNITED STATES

Aid and Voters

By David C. Williams

(EASTERN WORLD Washington Correspondent)

As this session of the American Congress passed the half-way mark, the future of American technical and economic aid to the peoples of the under-developed areas of the world is being much debated. Curiously enough, the programme seems popular everywhere but in Congress.

When President Truman launched the idea of overseas aid as "Point Four" of his 1949 Inaugural Address, it was denounced by many Republicans as a "global give-away." Yet the Eisenhower Administration has come to accept it as a central feature of United States foreign policy. It has maintained the programme at about the same size as that of the previous Democratic Administration, and has even proposed long-term commitments which are in advance of anything previously suggested. With the Russians paying "Point Four" the sincere compliment of imitation (substituting, as one commentator put it, "technicians for truncheons"), the role of economic, as compared with military, aid has become increasingly important. The Congressional debates reflect above all the imminence of the coming political campaign. Many Congressmen have an instinctive feeling that support for overseas aid wins them no enthusiasm from their constituents, because it does not benefit them in any tangible form. They would much prefer to face the voters with a cut in taxes, which

they see as an alternative made possible if foreign aid appropriation are held down.

The election has put Senator Walter George, the venerable chairman of the Senate Foreign Relations Committee and the chief Democratic spokesman in foreign affairs, in a particularly painful position. Almost half of his 78 years have been spent in the Senate, and in the course of becoming a national figure he has inevitably lost touch with the state of Georgia, which he represents in Washington. He is being challenged for the Democratic nomination (which in solidly Democratic Georgia is equivalent to election) by a young and ambitious ex-Governor of the state, with a very considerable popular following. A very considerable portion of this challenger's campaign consists of denunciation of the Senator for taking part in a "give-away" of America's wealth to remote countries like Pakistan (" as far away as you can go without starting on your way back.") It is therefore only human that Senators and Congressmen ask the supporters of adequate American technical and economic assistance: "where are the votes?" And it is timely that a conference was held here in Washington this month to show the width and depth of popular support for "Point Four."

Thirty-one national organisations joined in sponsoring the conference, ranging from the trade unions to the National Council of Churches, and including the Cooperative League, the League of Women Voters, the American Association for the United Nations, and the General Federation of Women's Clubs. Business was represented by the National Planning Association, agriculture by the National Farmers Union. teachers by the National Education Association, colleges by the Association of Land-Grant Colleges. Sending his greetings to the conference, Adlai E. Stevenson, the 1952 Presidential nominee of the Democratic Party, said: "I have many times pointed out that much of the world in Asia, Africa, and the Middle East is trying to catch up with the western industrial and technological revolutions. And they are trying to accomplish this mighty transformation by means of consent, not coercion. A policy based just on anti-Communist pronouncements or one of exclusive emphasis on military defence is not in the spirit of this great movement of the Twentieth Century and will win few hearts. The challenge for us is to identify ourselves with this social and human revolution, to encourage and aid the aspirations of half of mankind for a better life, to guide these aspirations into paths that lead to freedom."

J. D. Zellerbach, a leading San Francisco businessman, and chairman of the Committee for Economic Development, an association of internationally-minded businessmen, added his voice to those at the Conference supporting an adequate and long-range commitment of American resources to overseas economic aid. The Indian Ambassador, G. L. Mehta, described the achievements of his nation's first five-year plan, and the prospects and problems of the second five-year plan. Senator Ralph Flanders of Vermont, the Republican Senator who initiated Joseph McCarthy's censure by the Senate, spoke for the minority party in Congress.

After discussion of some of the problems of economic aid (such as how to use America's large agricultural surpluses for constructive purposes, without bankrupting producers of the same foods in other countries), the conference delegates turned to their main business—how to broaden the understanding of the American people for overseas aid programmes, and how to arouse public support for them throughout the country. Each one of the thirty-one organisa-

tions represented has chapters throughout the country, and the means (by publications or otherwise) to transmit the facts on overseas aid to its members. In the remaining three months of this session of Congress all will be busy urging their members to write to their Senators and Congressmen, to visit them when they are at home in their constituencies, and otherwise to give witness that many Americans do care deeply about their duty to help others to help themselves.

AUSTRALIA Government's Difficulties

By Charles Meeking
(EASTERN WORLD Canberra Correspondent)

Returned to office last December with a record majority in the House of Representatives, the Menzies Government was reeling somewhat by mid-April under a succession of problems, which included some lively criticism from its own backbenches. Its economic and associated worries were being increased by a strike of wool shearers, the men who take the nation's major and crucial export off the sheeps' backs, and by vocal critics of the recently-introduced national economic measures, intended by the Government to restore the overseas balance of payments by the end of June. The strike of shearers, following a two-months' dispute on the waterfront, made the prospect of balancing unlikely.

Legislation of a major character was pending, but there was doubt whether it could all be passed, even under pressure, before the new senators elected last December took their seats in the Senate on July 1, and deprived the Government of the majority it now has in that Chamber. Delay could involve serious frustration for the Government on major aspects of policy.

Proposed legislation included reform of the arbitration system, as well as controversial measures dealing with broadcasting and TV, banking, export guarantees, stevedoring, and the transfer of the Commonwealth Shipping Line to a partgovernment, part-private body. Some of these may be passed by the end of June. Others may not. At the same time talks were still planned on revision of the partly-outmoded federal Constitution, with the object of securing political agreement, if possible, on a referendum for its amendment.

As these problems emerged, and as some unemployment loomed, the Labour Opposition, split and decimated in December, took some heart at finding the Government off-balance, and welcomed efforts to heal the factional breach in Labour ranks. It was encouraged also by reports that the Prime Minister, Mr. Menzies, might soon retire from the active political scene to devote himself to a task overseas, and that his departure might be followed by division in the Government ranks over selection of his successor as leader of the Liberal-Country party coalition. Three or four names were mentioned, but there was no certain successor.

In the nation-wide economic discussions there were predictions of "plain speaking to Britain" when Mr. Menzies and the Minister for Trade, Mr. John McEwen, sought review of the Ottawa Agreement during their London visit in June. Prospects for expanded markets overseas for Australian manufactured and primary products, if costs could be reduced to competitive levels, were also convassed. Critics of the Government's economic policy, including higher indirect

taxes, challenged advocacy by the Government's advisers of taxation of spending rather than of income. They claimed, and Mr. Menzies denied, that the effect must be to increase the mounting inflation.

Foreign policy remained obscure, in spite of a debate in the House of Representatives and the published views of some commentators that Australia was showing an active, independent and persistent interest in the politics and economies of its near-northern neighbours which was a great improvement in the pre-war position, and that there was an impressive continuity in diplomatic and military contacts with the United States.

It was claimed that Australia was having a real, if undocumented, influence on American policy, exercised without friction and without loss of self-respect on either side. There was, as yet, no reaction to the US announcement of neutrality on Dutch New Guinea (West Irian), although the Australian attitude has been moving towards the same point. One significant aspect of relations with Asia was an increasing number of articles in Australian newspapers and magazines by Colombo Plan students studying in Australia. There was impressive unanimity in them that colour prejudice was nonexistent in Australia, some criticism of the treatment of Australian aborigines, some critical views also of aspects of Australian life, and an obviously genuine appreciation of friendship, and of increasing Australian understanding of Asian problems. One suggestion by a Burmese official should be remembered. He said: "White Australia must 'think coloured' to integrate herself among the leaders of the southern hemisphere."

Letter to the Editor

THE KASHMIR DISPUTE

Sir,—Fifty-two years ago Kashmir was a happy hunting ground for British Army subalterns. I have a lively recollection of a strenuous return journey from Srinagar to Khanspur where a detachment of my regiment was stationed in the Hills. I had been on pleasure bent, but I was not altogether blind to my surroundings. The people were an interesting study. A few years later I revisited Kashmir and acquired some knowledge of Central and South India.

The partition of India was a tragedy, for which lack of proper preparation for self-government was responsible. I do not suggest that "divide and rule" was a deliberate policy on the part of the British Raj, but the policy of "too little and too late" led inevitably to such disputes as that between Indian and Pakistani leaders over Kashmir. As matters stand, my impression is that Kashmiris are happier under the Indian regime than they might be under Pakistan. All the more so in view of Bakhshi Ghulam Mohammed's account, in your March issue, of what is being done in "Building the New Kashmir." Unhappily an influential section of the British Press accuses Mr. Nehru of inconsistency, and many people in this country are under the impression that the Indian leader is afraid of putting the issue to the test of a referendum. Personally I have no faith in such methods of arriving at important decisions. Voters are often bamboozled by fair promises or frightening statements, and the result is largely a matter of luck. But I suggest that more should be done to enlighten public opinion on this subject.

Yours etc.,

C. E. COOKSON.

Sompting, Sussex.

FROM ALL QUARTERS

Increased US Assistance to Formosa

An additional \$10.1 million of aid for Formosa has been announced by the International Cooperation Administration, bringing the total of economic and technical aid to Taiwan for the fiscal year to \$73 million. Most of the new aid will be in the form of US agricultural commodities. Some \$6 million worth of wheat, to be sold for local currency in Formosa, is included in the programme. Out of the year's \$73 million total for economic and technical aid almost \$40 million in local currencies has been generated by the sale in Formosa of US industrial raw materials and consumer items.

Negotiations are under way to place much of the aid on a loan basis. Last year \$20 million was in the form of a loan to be repaid over a 40 year period, beginning in three years. The Formosa Government is spending almost 60 per cent of its total budget on its military effort. Total US non-military aid to the Republic of China has amounted to over \$475 million since 1951.

ILO Conference to Discuss Indigenous Peoples

Worldwide action to promote the protection and integration of between 50 and 70 million indigenous peoples in independent countries is to be discussed by the 39th International Labour Conference in Geneva next month. Government, worker and employer delegations from 71 member nations of the International Labour Organisation are expected to attend the three-week Conference session.

Two reports on the living and working conditions of indigenous peoples in independent countries have been prepared by the ILO secretariat for discussion by the Conference. The first report surveys the magnitude of the problem in various parts of the world and outlines the action taken by the United Nations and the Specialised Agencies.

Ancient Link with India

A Danish archeological expedition has uncovered evidence proving that the isand of Bahrein in the Persian Gulf was once a prominent commercial centre and an important link between the ancient civilisations of Mesopotamia and India. Previously it had been thought that Bahrein, "island of a hundred thousand burial mounds," served in ancient times merely as a burial place for the inhabitants of the Arabian mainland.

Amongst the oldest finds, flint sites were found dating back 50,000 years, and representing Indian Sohan culture, which had its main centre along the river valleys of northwest Punjab. Other sites of the same epoch contained flints similar to those used in Stone Age cultures in Arabia and Syria. In later finds, remains of buildings and temples built some 3,000 years BC revealed other connections with Mesopotamian and Indian cultures.

From the discoveries made by the Danish expedition, it seems that the position of Bahrein on the Persian Gulf made it a flourishing trading centre in ancient times, where goods from India and north-east Arabia were transhipped.

Gandhi Reappraised

A recent article in the Hungarian paper Szabad Nep says that "incorrect opinions" have been held in Hungary on Gandhi and his leading role in the Indian independence movement. These views were due to a misunderstanding in Hungary of the situation in India and the characteristics of

her social development. The mutual desire to improve relations between the socialist camp and India, as well as "historical truth," make it essential to "throw light on the problem of Gandhi and to present his work in accordance with reality." The article goes on to give a biography of Gandhi.



In order to preserve the Visuddi-Margaya, the Buddha's doctrine, for thousands of years, it has been written on to 2,500 copper plates, each 3 inches by 18. On Buddha Jayanthi Day (May 23) it will be presented to the Buddhist Brotherhood in Ceylon, and later enshrined in a stupa. The picture shows Mr. W. N. Kiribanda, who carried out the project, standing with the doctrine, which weighs over two hundredweight and took a year to complete.

New Teleprinter for Japan

A new teleprinter capable of printing nearly 1,500 different Japanese characters may revolutionise techniques of news transmissions in Japan. Since the war, attempts have been made in Japan to limit the number of characters used in the Press. However, a perfected model of the new teleprinter with a range of 2,300 characters, is now being studied which would permit the transmission of news without any limitation of the characters used.

London Hostel for Hong Kong Students

The Hong Kong Government has purchased the freehold of a London hotel to be used for the accommodation of Hong Kong students in Britain. Its purchase was recommended by an ad hoc committee under the chairmanship of Mr. E. G. A. Grimwood, Director of the Hong Kong Government Office in London.

For some time past the Hong Kong Government has been concerned with the fact that Hong Kong students in London, of whom there are now about 400, have no place of their own in which to meet and enjoy social and cultural pursuits. Moreover, the problem of accommodation in London has become more acute with the ever-growing inflow of students from the Colonies. Repairs and modifications to the property will cost an estimated HK\$272,000. It will accommodate 70 students in comfort and considerably more for brief periods in the autumn when the demand is greatest. It is adjacent to Hyde Park and Kensington Gardens, and is close to bus and underground services.

LONDON NOTEBOOK

Modern Indian Art

An exhibition of paintings and engravings by "Sudhi" (Sudhir Chatterjee) was held in April at the Imperial Institute, South Kensington. This was his first exhibition in this country. "Sudhi" was born in Calcutta in 1927 and was a student at the Government College of Arts and Crafts, Calcutta. Since 1949, his work has been shown in various exhibitions in India and recently, after spending some time in Paris, some of his work appeared in the Salon des Artistes Associés at the Musée d'Art Moderne, in addition to various "group" shows in Paris.

His style embodies much of Indian folk art together with western technique, and his basic themes are typically Indian, although his choice of subjects is wide and he uses a variety of treatments in presenting them.

The Indonesian Way of Life

In his address given last month to the Royal Empire Society, the Indonesian Ambassador in London, Dr. Raden Supomo, pointed out that it was not easy to generalise on the Indonesian way of life, nevertheless it could be said that the basic difference in the eastern way of life was the attitude of mind, or philosophy of life. In Indonesia, despite the steady drift from the country, town dwellers are still in the

minority, but whether living in town or village, the basic attitude of mind and ultimate way of life of the Indonesian is the same. It is not the individual who is the centre of life, but rather the group, and the community and the individual is important only in relation to his position in that group. There are definite codes of behaviour governing individual relationships, derived from the long tradition of classical Indonesian literature, but the movement today is from feudalism and paternalism and communalism towards a more highly geared way of life. Dr. Supomo described the historical and cultural influences which have moulded Indonesian society, in particular, the impact of Colonialism and the spread of western ideas, bringing with them the emergence of a middle class and a new intelligentsia, the former being the natural corollary of current economic trends, and the latter reflecting the thoughts and ideals embodied in western education.

Chinese Paintings

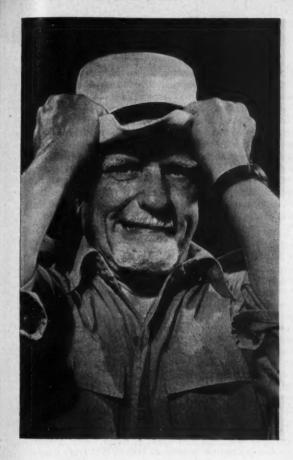
Traditional Chinese flower paintings, in which many artists collaborated, were exhibited in April at the China Institute in London. The seemingly haphazard grouping of several artists' work produced some remarkable contrasts in technique—in one painting, for instance, entitled "Ju-Yi"

("Everything as you Wish"), a medley of fruits, vegetables, flowers and evergreens, ten artists combined their work. All the paintings on show were done during the last 100 years.



Ratu Sir Lala Sukuna, Paramount Chief and administrator in Fiji, who arrived in London last month for a visit.







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BOOKS on the

Two Nations and Kashmir by LORD BIRDWOOD (Hale, 21s.)

In presenting this historical account of the Kashmir dispute, Lord Birdwood has achieved a wider synthesis than has so far even been attempted by most western writers. For the first time, the problem has been placed in its proper context of international policy and strategic considerations. In a detailed and carefully documented report, the author seeks to analyse every move on Kashmir in the Indian and Pakistan capitals, in the United Nations efforts to settle the dispute, and the developments within Kashmir itself. Weaving together the facts, both historical and observed at first hand, with argumentation and anecdotes, the author presents a lively picture of this tangled nine-year-old problem.

Lord Birdwood in his introduction "ask(s) . . . to be regarded as impartial." It is a disarming request, especially since he at once qualifies it as "in no way imply(ing) that criticism is balanced evenly between the two countries concerned." The qualification itself is characteristic of the man, every word of whose writing breathes an honesty and integrity that command respect. His point of view, however, is that of the polo-ground, which cannot hope to be accepted by the vast majority of Asians, including both Indians and Pakistanis. When in an early chapter he describes the former Maharaja of Kashmir as a man who, "mounted on the finest ponies which money could buy, in his day . . . could hit the ball as long and accurately as any player in India," he unconsciously sets the tone of the book. It is a nostalgic sigh for the days-I quote again—of "all that a small privileged community of English men and women could wish to remember."

The holding of a plebiscite appears to Lord Birdwood as the sine qua non for the solution of the Kashmir problem. Yet he makes clear, in fairness to Nehru, that from the outset the Indian offer of a plebiscite was intended solely in the sense of a consultation with the people of Kashmir—the only sense in which it was, and still is, acceptable to the Government of India. What he fails to explain is that the original offer was made exclusively to the Kashmir people-not to the Pakistan Government or to the United Nations or to any one else. The difficult and uncertain conditions, both internationally and within India and Pakistan, in which the plebiscite offer was first made, gradually changed as great political, social, economic and, not least, strategic changes developed. The great advances in India would be endangered by the kind of "plebiscite" envisaged by the West-a freefor-all campaign of religious bigotry within her borders, conducted by the Islamic Republic of Pakistan. No sovereign country could tolerate such a campaign. But the ultimately decisive factors were the US-Pakistan military agreement, and the establishment of the SEATO and Baghdad Pacts. These finally disposed of any willingness India might have felt to allow intervention from the outside.

Lord Birdwood's urgent plea for a plebiscite, with the outcome he visualises, cannot commend itself to Asian views. He believes quite sincerely that the strategic needs of Pakistan and the West require a partition of Kashmir territory. A plebiscite would, he thinks, achieve this by allowing Pakistan to acquire some of the vital northern and western areas of Kashmir—which, as it happens, are inhabited mostly by

EFAR EAST

Muslims. This is in line with the stereotyped western solution for all disputes: when in doubt, partition. To Asians with fresh memories of Korea, Viet-Nam, and a little further away, Germany, this seems a policy that creates more problems than it solves. Lord Birdwood goes even further. He advocates that certain strategic areas should be taken outright from Kashmir even without a plebiscite, and handed over to Pakistan. This would flout even Pakistan's own wishes. Pakistan's claim, of course, has always been that all of Kashmir must choose in a plebiscite between India and herself. In support of his views, the author quotes General Gracey, the British Commander-in-Chief of the Pakistan Army at the time of India's partition—who in 1948 outlined his strategic fears to the United Nations Commission for India and Pakistan:

He (Gracey) also drew attention to a new aspect of India's advance [in repelling the Pakistan invasion—KPG], which was the danger of an Indian link-up with Afghanistan through the extension of India's armed forces to the northern extremities of Kashmir. If India was to reach Hunza, Nagar, and Gilgit, there would in fact be established a common India-Afghanistan frontier of some 50 miles.

In his defence of Pakistan's military alliances with the West, the author rides roughshod over Pakistani susceptibilities, of which, indeed, he seems unaware in spite of his sympathy for the Pakistan case. How otherwise could he have decared so candidly that Pakistan's function is to provide an "Expeditionary Force" for the defence of British oil interests in the Middle-East? Equally he shows the American interest in Pakistan to lie in the "availability of men in large numbers." It is cold comfort in these circumstances for the Pakistanis to be told that there is little agreement between their self-styled "allies." Halfway through 1955, Lord Birdwood found that

In short, Americans, Englishmen and Pakistanis were hardly working together as one team in pursuit of a common purpose, with the result that the nature of that purpose and the strategy which should govern its achievement had never been discovered.

To India's suspicions that the arming of Pakistan might be more a threat to her safety than a purely defensive force, both Karachi and Washington recently issued statements that Pakistan, in spite of her alliances, would neither wish nor be able to "negotiate from strength" with India. Lord Birdwood is more honest. Armed "for the greater contingency," he writes, i.e. for the defence of the Middle-East, Pakistan would also unavoidably be placed "at some advantage" for the needs of Kashmir. Furthermore, he doubts "very much if Pakistan leadership itself had concise ideas to govern its inclinations." With superb cynicism he sums up the situation:

For our purposes, however, we need place no immediate or sinister interpretations on decisions which in broad outlines support our own views, even if the details in local application are sometimes controversial.

If he has both feet on the ground in strategic understanding, his flights into the realms of high policy take on a more fanciful character. One example must suffice. Since 1951, he confesses, he has harboured in his bosom "the sanest yet most improbable of solutions" of the Kashmir problem—a "condominium of three, Indians and Pakistanis and Englishmen," to lead Kashmir to a state of independence! It is only fair to state, as Lord Birdwood himself conscientiously points

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out, that he is in no way writing in an official capacity. His qualification to speak on Kashmir affairs is 26 years of service in the Indian Cavalry, and an intimate acquaintance with the life and politics of India and Pakistan.

Lord Birdwood takes issue on frequent occasions with the Indian Prime Minister, whom he gently derides for his "familiar tendency to relate local issues to the stage of international events," placing "the problem of Kashmir majestically against historical processes and the destinies of nations." To prove his point he quotes from a letter of Nehru, of September 1953, to the Pakistan Prime Minister:

We have to look at current events in some historical perspective. Our huge continent of Asia appears to waken after 300 years of quiescence. The inevitable destiny of India and Pakistan must be to cooperate as independent nations, for their mutual advantage and for the good of Asia and the world.

In this instance, at any rate, Lord Birdwood, we suspect, comes off second-best.

With these reservations about the book one may well commend it to Europeans in the habit of denigrating the Indian policy on Kashmir without knowing the facts. The book truthfully relates the story of Pakistan's incursion in Kashmir. The reader can then decide for himself whether or not he agrees with the author's justification.

K. P. GHOSH

East and West by RADHAKRISHNAN (Allen and Unwin, 6s.)

In his three Beatty Memorial Lectures at McGill, Radhakrishnan set out to look back over the history of East and West, with, always in the background, the words of Beatty himself, "The madness . . . was a defect of the soul, not of the mind." In the first lecture, "East," India, Hinduism, Buddhism, Islam, Christianity and China are discussed. Lecture two, "West," is divided into two sections; first Greece, then Alexander and his conquests, which opened the way to an ambivolent traffic in thought; then Christianity, and the second section begins with the latter's doctrinal developments, which are followed by Islam. In the light of the first two, the third lecture, "East and West," examines the present philosophies of the West, and the problems which both East and West face today.

There are some fascinating, and yet tantalising statements about the parallel progress of different civilisations; in Jaspers' Axial Period, c. 800-200 B.C., the Mediterranean, India and China each threw up philosophies and religions which repudiated tribal religion, each affirmed the autonomy of the individual, and again, each had the same policy as a background—the small city-state. Radhakrishnan admits the impossibility of completeness, as he ranges over so wide a field. He would be content if what he has said stimulates our thought. This it does; "India and Greece were the two great thinking nations who made the history of the world. As Greece had been the leader of Europe, India would always be the leader of Asia"; or, "Confucius, Pythagoras, Mahavira and Buddha all belong to the same century." "The conflict between Greece and Galilee-between soul and mind in Beatty's terminology-is still unresolved. But that we are aware of our predicament is the reason for hope."

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Hokusai by JOHN HILLIER (Phaidon Press, 42s.)

Perhaps the popularity of Hokusai, the Japanese artist known better than any other in the West, is easily understood. To the Japanese, he is not a painter of the first rank, since he lacked the traditional idealism and the refinement of classical painting. But by western standards he has most of the qualities that make a great artist. His robust character, his independent spirit, his humanity, are at once recognisable in his work. To take a random example, his perhaps most famous landscapes entitled "The Thirty-Six Views of Mount Fuji" are superb not only because of their composition, boldness and clarity of drawing, and richly contrasted colouring, but also for their humanity, the suggestion of humour or pathos, and the way in which the personal feelings of the artist are communicated to the onlooker.

The story of Hokusai's life is a familiar one—a constant struggle with poverty, a series of misfortunes, disputes with patrons, but none of these are reflected in his work, which kept its freshness and spontaneity. He produced broadsheets, and illustrated many books, but his colour prints, some of them based on paintings, are the form in which we are most familiar with his work, together with the Hokusai Mangwathe "Random Sketches," which are lightly drawn studies of every conceivable subject—the whole series covering fifteen volumes, amounting to visual record of most aspects of Japanese life.

This account by John Hillier is the first comprehensive survey in English of Hokusai's work. The text is admirably concise and the accompanying illustrations cover almost every phase of the artist's development, chronologically arranged. Some of the colour reproductions vary in quality but the all-over standard is extremely high. One may not agree with all the author's opinions, but they are the opinions of an enthusiast who has the ability to impart his own keen pleasure in Hokusai's work to the reader.

K.M.N.

Books and Publications Received

Islands of Men-Inside Melanesia by COLIN SIMPSON (Angus & Robertson, 21s.)

A Buddhist Students' Manual edited by CHRISTMAS HUMPHREYS (The Buddhist Society, 10s. 6d.)

On the Nature of Man. An Essay in Primitive Philosophy by DAGOBERT D. RUNES (New York: Philosophical Library \$3.00)

Art of Asia by Helen Rubissow (New York: Philosophical Library, \$6.00)

Ceylon and her Citizens by I. D. S. and M. I. WEERAWARDANA (Madras: Oxford University Press, Rs.4.50)

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REVIEW OF REVIEWS

INDIA'S attitude to Communism and the repercussions of the Bulganin and Khrushchev Indian visit continue to attract a great deal of attention and various interpretations have been put forward by political observers.

Geoffrey Tyson, in International Affairs (London) after discussing the effect of the Russian visit on the Indian masses (he was in India at that time) goes on to say that the most significant impact was made on the several millions of educated Indians who were pleased at the recognition of India's status in world affairs which the visit seemed to give. He considers that India's policy of neutralism and non-alignment is not merely compounded of Mr. Nehru's personal idiosyncrasies, but really represents the course which the overwhelming majority of his educated fellow citizens wish their country to pursue. He makes the important point that since Nehru's political neutralism has now been extended to the economic sphere and India will consider herself free to accept assistance of every kind without prejudice to her relations with the West, India will eventually emerge as the one market in which Communist and free enterprise systems will be engaged in free and fierce competition.

An Indian point of view is put by Dr. Palayam Balasundaram in the latest issue of the Pacific Spectator (Stanford University, US). He says that Americans find it hard to understand that India's foreign policy is based on a stubborn desire to remain independent of both sides of the cold war and that is why she

has beefi careful to ensure that foreign aid should not be so extensive as to make her largely dependent or subservient. In the Indian sense peace does not necessarily mean abstention from war, but rather an active and positive approach to international problems, this being the core of Gandhi's philosophy and something which, according to the author, many Amerians find hard to digest.

A re-appraisal of America's relations with India is undertaken by Marshall Windmiller in the March issue of Far Eastern Survey (New York). Mr. Windmiller finds that although as a result of the Bulganin and Khrushchev visit, closer relations between India and the USSR have been established, this is not to be interpreted that India has abandoned her policy of neutrality. However, the increased commercial and cultural intercourse with the USSR will have important long term effects on public opinion in India. The prestige of Communist countries is bound to grow and the ideology they represent will become increasingly respectable—all of which, Mr. Windmiller points out, American policy must take into consideration.

The role played by American aid in Korea and Indo-China is analysed and carefully documented in an article by Bernard Fall in April's Politique Etrangere (Paris) and the results compared. In the case of Korea, the cost to America was US\$30,000 million and the loss of 36,000 American lives, while in Indo-China the same strategic result, namely the halting of Communist infiltration in Japan and South-East Asia was obtained without the loss of a single American soldier and at a cost of less than US\$2,000 million.

Buddhism in Ceylon

By Austin de Silva (Colombo)

BUDDHISM in Ceylon goes back to the days of the Buddha himself. It is recorded that the Buddha visited Ceylon on several occasions, three of which stand prominently in the history of the Island. One of these is the visit to Kelaniya—about six miles north of Colombo—during which he settled a dispute between two ruling factors at the time. To mark his visit, a dagoba has been built on the spot, which is today considered to be one of the most important places of Buddhist worship in the Island. Authentic relics of the Buddha are enshrined in the Kelaniya dagoba, which now attracts millions of devotees.

The second important visit of the Buddha was to the mountain peak, Sri Pada—the Sacred Foot—which is known to Westerners as Adam's Peak, where he set the imprint of his foot, which is still being venerated by millions. The ascent of the sacred Peak is arduous, but despite the difficulties, pilgrims, some so old and decrepit that they can hardly walk, climb the sheer footway to the top of the Peak and fall in worship at the foot of the Master. This pilgrimage can be done only during a certain season of the year.

The third visit was to Mahiyangana in Central Ceylon, which is now surrounded by jungle. Here too a dagoba has been built to commemorate the Thatagata's visit, and this dagoba is the oldest Buddhist shrine in Ceylon. But since the decline of Sinhalese rule, the inexorable jungle crept over it and, combined with the passage of centuries, brought it down to the level of a venerable ruin, a large number of which are scattered all over the Island. A national organisation assisted

by the Government has been re-building this ancient shrine. The Government of Burma last year promised the gift of a gold pinnacle weighing twenty-five pounds, to crown the dagoba.

Apart from the sanctity bestowed by the visits of the Buddha, Ceylon possesses the three most important relics connected with the Buddha himself. These are the sacred Tooth Relic, the sacred Bo Tree and the sacred Foot Print on the top of Sri Pada. These are in addition to the bodily relics of the Buddha, which are enshrined in the numerous dagobas in various parts of the Island.

The sacred Bo Tree at Anuradhapura, the ancient Sinhalese capital of Ceylon, apart from its sanctity as an object of Buddhist worship is the oldest historical tree in the world. It was brought to Ceylon by Princess Sangamitta, daughter of Emperor Asoka of India, at the request of the Sinhalese king ruling over Lanka at that time. It is a branch of the sacred Bo Tree in Buddha Gaya, India, under which Prince Siddhartha attained Enlightenment and became the Buddha. While the authenticity of the Buddha Gaya tree is in dispute, the Anuradhapura tree continues to flourish with a recorded history of over two thousand years. The Anuradhapura Bo Tree is so closely guarded by the Government that not even a leaf from it is allowed to be plucked. No one can approach the tree as it is surrounded by a high wall and an iron fence.

It is generally believed by the people of Ceylon that the Island is free from wars and upheavals and pests and pesti-

lences because it possesses these sacred objects intimately connected with the life of the Buddha. In fact it is said that the Buddha himself exhorted the guardian gods of Lanka to take care of the Island and its people because it was here that Buddhism would be preserved in its pristine purity. Although the Buddha visited Ceylon on several occasions, the real beginnings of Buddhism in the Island are attributed to the reign of the Sinhalese king, Devanampiya Tissa—the Beloved of the Gods. It was during his reign that Asoka was ruling in India. After his bloody conquests, Asoka turned Buddhist and spent his revenue and energy spreading Buddhism in the neighbouring countries. He sent Buddhist missionaries abroad, and one of these, his son Mahinda, was sent to Lanka. He met Devanampiya Tissa on Mihintale hill, near Anuradhapura, where he had gone on a deer hunt. Mahinda accosted



The oldest historic tree: the Sacred Bo tree at Anuradhapura.

the king, and after questioning him to find out whether he was intelligent enough to understand the Dhamma, preached to the king. The king was thoroughly convinced. He became a Buddhist and converted Lanka to Buddhism. The rock cave where Mahinda lived in Mihintale is still preserved, and the hill is a place of constant pilgrimage. When U Nu, the Prime Minister of Burma, visited Mihintale hill, he expressed his desire to become a Buddhist monk when he retires from politics and live in the sacred precincts of Mihintale. It is expected that he will fulfil his desire.

Since Devanampiya Tissa's conversion, Buddhism flourished in Ceylon and the Island's history and culture and civilisation have been closely connected with Buddhism. Later Sinhalese kings, especially Dutugemunu and Parakrama Bahu, built Buddhist edifices, which although many of them are in ruins are still the admiration of the world. These ruins are found all over the Island, particularly in the ancient capitals of Anuradhapura and Polonnaruwa. As the Sinhalese kingdom gradually decayed and Sinhalese power declined owing to internal strife brought about by provincial chiefs fighting for power against one another, the Tamils from South India began to invade the Island. Buddhism too gradually declined and the numerous religious edifices, round which millions had gathered in worship, began to be abandoned to the encroachment of jungle. The last few Sinhalese kings

were semi-Tamils. There was dissension all over the country and this helped the western powers to gain a footing in the Island without much effort, first the Portuguese, then the Dutch and lastly the British. The maritime regions which these powers colonised attracted the population and resulted in the abandoning of the old cities and the decline of the civilisation which flourished in central Ceylon.

The western colonisers were Christian nations who left stone unturned to proselytise and convert. This was eminently so among the Portuguese who gave no quarter to the Buddhists. They baptised the Buddhists practically by force and gave them Portuguese names which are still in use today. Government jobs were one of the principal channels of conversion, for everyone who was given such a job had to become a Catholic and take over a Portuguese name. The Portuguese destroyed all traces of Buddhism wherever they could and often adopted very cruel methods to achieve that end. The Dutch and the British introduced missionaries who came in the guise of educationists. They opened up schools with Government aid and under Government auspices and began to concentrate on the younger generation. This was very successful until the arrival in Ceylon of an American, Colonel Olcott, who had studied Buddhism.

He realised the need to revive Buddhism and Buddhist culture. He whipped up the dormant Buddhists into enthusiasm and became the pioneer of modern Buddhist education. Despite the drawbacks, especially the obstacles offered by Christian missionaries backed by the Christian Government, Col. Olcott carried on his fight. He was followed by Buddhist leaders like Valisinha Harischandra who fought with the Government and made Anuradhapura a Sacred City, and the Anagarika Dharmapala who founded the Maha Bodhi Society. The seed thus sown has grown to tremendous stature. Buddhism which had practically gone to extinction in the time of the Portuguese and had to be revived with the help of Buddhist monks specially brought by a nationally-minded few from Burma, began to raise its head again. A wave of nationalism following the cry for political independence and later independence itself, gave an added impetus to the revival of Buddhism. Many of those who had turned Christian for profit, came back to the fold and gave up their foreign names and adopted national ones instead. Buddhism is again in the ascendant in Ceylon.

This has further been strengthened by the Buddha Jayanti, the celebration of which will be held this month (May). The Government set up the Lanka Buddha Mandalaya, or the Ceylon Buddhist Council, to make arrangements for the celebrations. The Home Minister, Mr. A. Ratnayake, is the head of this Mandalaya, and he is assisted by three other Cabinet Ministers. The Mandalaya has prepared a vigorous programme which will celebrate Jayanti for thirteen months beginning on the 23rd of this month. One aspect of the programme is the re-building of ruined Buddhist shrines, the setting up of monuments for leaders who were pioneers of the Buddhist movement and the propagation of Buddhism both in Ceylon and abroad.

SHRINES OF KYOTO

By Geoffrey Bownas

MENTION of Kyoto's shrines brings to mind memories of year-round festivals and processions, for though Buddhism's temples far outnumber the Shinto shrines, Shinto in Kyoto is something more than a religion; it is something like the reflection of the Kyoto man's pride in his city's long past, as well as a farrago of vague origin myths, with which there has been mingled all the lore and tradition of the thousand and more years since Emperor Kammu first moved his capital there in 794 A.D.

New Year's Eve, the "great last day of the month," is as good a point as any to cut in on Kyoto's festive year. The custom is to eat soba-which is long and thin like spaghetti, and symbolic of long life. Then as midnight draws near, you join the general drift in the direction of the Yasaka Shrine, or "Gion San," the shrine of the business and geisha districts. The foundation date of Yasaka Shrine is not known with any certainty-one tradition connects the first building with the story of a mission from Korea, as early as 656 A.D.; the present buildings were put up in 1654, on the order of the Shogun of the time. Here, on New Year's Eve, sacred fire has been kindled in open braziers, and for a matter of twenty or thirty yen (5d. or 7½d.), you buy a length of straw roping (which is not unlike the "millband" or "tarband" which Yorkshire boys use to light the fuse of their fireworks on November 5) at one of the countless booths which have sprung up in the shrine compound. This rope you light at the brazier, and then, twirling and blowing it to keep it alight, you stroll home, listening perhaps to the rich, mellow bong of the Buddhist temple bell, as it welcomes the New Year, and then, arrived home, you light the first hibachi of the New Year from your rope. And the first meal cooked on this first fire will guarantee freedom from illness for the whole of the ensuing year.

New Year's Day itself, or the 2nd or 3rd, calls for a visit to the Inari Shrine, which, though it lies well in the southern suburbs of the city, on one of the main electric lines to Osaka, is in fact the parish shrine of one of the industrial sections of south Kyoto. But any narrow parochialism disappears on New Year's Day; the trains from Kobe and Osaka are packed with worshippers, coming to pay their respects to Uga-no-mitama, Goddess of Rice and Food, one of the patron deities of the shrine. "Inari San" was founded in 711, and is one of the most famous Shinto shrines in Japan; its avenue of torii, the vermilion painted archway which marks the gateway to a shrine, each one presented by a shrine member, stretches far away into the richly wooded hills behind the main shrine buildings.

The next highlight is early in February, and for it, the scene shifts to the north-east part of Kyoto, to the Yoshida Shrine, founded in 859, where, on the first day of spring, by old calendar reckoning, there is held a ceremony called mamemaki—bean scattering; the idea is that anyone who manages to pick up any beans in the mad scramble after they have been thrown from elevated platforms by famous

people of the city, will enjoy good health and good fortune in the coming year. The throwers are a heterogeneous collection: two years ago, they were headed by the mayor, who should have been followed by Japan's foremost atomic expert, a professor of Kyoto University, but he was unable to be present; then came film stars, male and female (there was a noticeable lack of eagerness to crowd round their dais) and—the most avidly sought after—two parties of maiko, young apprentice geisha from the nearby Gion geisha sector. Many people will tell you of the age of this ceremony; actually, it was founded quite recently by a business-minded shrine official, who is now working with another shrine, and planning to give it its distinctive—and financially rewarding—ceremony.

February 25 is the "Plum Blossom Festival" of Kitano Shrine, and the anniversary of the death in 903 A.D. of Sugawara Michizane, to whom the shrine is dedicated. It was built in 947 A.D., to appease Michizane's spirit after frequent storms and natural disorders had been traced to the source of his death in exile in Kyushu. The present building, with its very intricate roof design, dates from 1607, and was carried out by Toyotomi Hideyori. Kitano Shrine, close to the famous Nishijin silk sector in north-west Kyoto, extends its patronage to weaving, sake-brewing, agriculture, and to scholarship. Prayers are said every morning for the daily advancement in study of all shrine members, and there is a delightful story concerning Japan's substitute for benzedrine: it is said that five turns, at the double, round the Kitano compound, on the morning of any examination, are safe insurance against failure.

May 15 is the day of the "Hollyhock Festival," the first of Kyoto's three great annual processions. The festival is of sixth century origin, and it was aimed in the first place at the propitiation of the angry shrine deities, by offerings of hollyhock. In its present-day form, the festival is a recreation of the imperial procession which used to pay homage at the two shrines, Shimogamo and Kamigamo, in the north of Kyoto. An imperial messenger goes from the Palace to the Shimogamo Shrine, and then a procession of horsemen headed by an ox-drawn imperial chariot, decorated with wisteria blossoms, winds up the road, on the embankment of the Kamo River, as far as the Kamigamo Shrine.

July is Kyoto's hottest month: the skies are leaden, the summer rains have fallen, and in Kyoto parlance, it is mushiatsui—sticky-hot. And right in the middle of the worst heat comes the Gion Festival, the longest and the most colourful of them all. The festival is connected with Yasaka Shrine, and tradition has it that it originated with processions of decorated shrine cars on June 7 and 14, in 876, organized by the head priest of the shrine in an effort to stem an epidemic raging in the city. The festival of today lasts for about two weeks from July 10, on which day the shrine cars which are to take part in the proceedings are washed and purified in the Kamo River, which flows north-south through

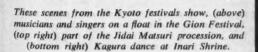
the centre of Kyoto (and which is supposed to give the Kyoto geisha her schoolgirl complexion). On the 11th, the floats and cars are decorated, and until the 16th, the band of musicians and singers which is to perform on the float, practises its piece, the Gion Bayashi, at full tilt, and with ever-increasing fervour. The atmosphere reaches its most tense and exciting peak on the night of the 16th, when some of the floats are drawn down Shijo (Fourth Street-the main east-west streets in Kyoto are numbered from one to nine), musicians aboard, and stay there the whole night, the beat of the music steadily quickening. Then on the 17th, the floats, each consisting of an ornamental tower placed on four huge wheels, and usually with a mast up to about a hundred feet high, running through the centre of the tower, are taken through the streets. All traffic is halted—the trams cannot run, for the height of the masts and towers entails the dismantling of overhead cablesand the streets seethe with visitors and inhabitants, for even the banks are closed on Gion day! There is a similar procession on the 24th, with floats in a different order, and with only nine, as compared with the twenty of the procession of the 17th.

The third of the great festivals, Jidai Matsuri, "Festival

of the Ages," takes place on October 22. The sun is still warm, but the days are closing in. The patron shrine of the festival is Heian Jingu, which, as Kyoto architecture goes, is modern, for it was built in 1895, to commemorate the 1,100th anniversary of Emperor Kammu's move to Kyoto. Heian's garden is famous-both for the special variety of drooping cherry blossom-the shidare-zakura-of a deep lilac hue, in April, and in June, its iris blooms. The Jidai Matsuri is a one-day affair, and is a panorama of Kyoto's history. The procession, which leaves the shrine early in the morning, and forms up in the grounds of the Imperial Palace just before noon and then goes the rounds of most of the main streets of the city, is in the reverse of chronological order; at the head comes a drum and fife band, composed of a group of loyalists from a neighbouring village, at the time of the Meiji Restoration; then back through the Tokugawa period to Heian times, and early Kyoto, and, at the very end, the women of Kyoto's history, played usually by geisha of the Ponto-cho district.

It is her Buddhist temples, thirteen hundred of them, they say, which make Kyoto the architectural pride of Japan; but it is her shrines which set lively and colourful movement in front of this architectural backdrop.









The Influence of China and Japan Upon German Culture

By Thomas E. Ennis (West Virginia, US)

OF all the European countries touched by Eastern Asian culture none was more deeply stirred than the Germany of the 17th and 18th centuries. A consciousness of China was emphasised by Gottfried Wilhelm von Leibnitz (1646-1716), noted philosopher and mathematician. Leibnitz first encountered Asia in 1689 during a sojourn in Rome, where he met the Jesuit, Claudius Phillip Grimaldi. Before Father Grimaldi left for China to become President of the Mathematics Tribunal at the court of Peking, Leibnitz wrote to him to enquire whether there were any useful plants in that part of the world which might be introduced into Europe. He wished to know also if China had any knowledge of medical science unknown to the West; the possibilities of translating into Latin Chinese historical works; whether there existed a possible key to Chinese ideographs, and, finally, whether Chinese culture could be utilised for the improvement of western society.

Leibnitz dreamed of a China converted to the Christian way of life. The far-sighted German created the Prussian Academy for this purpose and was a sponsor of a similar institution in Moscow where China could gain information pertaining to the occident and thus become a part of Christendom. Leibnitz wrote Novissima Sinica (News of China) in 1697, as a challenge to Protestant Europe to engage in missionary labours along the lines formulated by the Jesuits. He declared that the West was superior to China in subjects like mathematics and astronomy but China had no peer in practical philosophy and political morality. He believed that Chinese missionaries should be brought into western lands in order to teach the Europeans.

Some Chinese concepts are found in the writings of Leibnitz. His doctrine of Monads has much in common with the Chinese ideology concerning "universals" and the principle of a pre-established harmony is inherent in the Chinese Tao. Leibnitz reasoned that the Chinese Li, or substance, being, or entity, was the equivalent of the western God. He hoped to bring about a synthesis of oriental and occidental thought in order to create a "pure Christianity."

Two outstanding disciples of Leibnitz are A. H. Francke and Christian Wolff. Francke was active in missionary work. Wolff was immersed in philosophy. A long correspondence began in 1697 between Leibnitz and Francke relating to the problem of Christian missionaries at Halle. It is here that Wolff on July 12, 1721, delivered the sensational pro-Confucian address which led to his expulsion. The orientalist had aroused too much opposition in his attempt to reconcile Christian and Confucian morality, to the discomfort of the former.

In the popular literature of the 18th century there are many references to the "barbarians who refuse to be civilised," that is, the Japanese. The serious writers, however, realised the importance of this secluded empire. Johann Gottfried von Herder (1744-1803), historian and social philosopher, in his Outline of the Philosophy of the History of Mankind (1784), discusses Japan, saying that "the Japanese were once barbarians. . . . through acquaintance and intercourse with different peoples, from whom they learned writing and science, manufacturing and art, they have patterned themselves into a nation, which in many ways contends with or surpasses China completely." There is a laudatory exposition of China by the same author:

In the eastern part of Asia behind the hills, there is a land that calls itself the middle flower of the world and the first country in antiquity and culture; certainly, however, China can claim to be one of the oldest and most remarkable of countries. Although it is smaller than Europe, it prides itself upon a greater number of inhabitants, in proportion, to this richly populated corner of the world we call ours; for they can account for 25,200,000 taxed peasants, 1,527 large and small cities, 1,193 castles, 3,158 stone bridges, 2,796 temples, 2,606 cloisters, and 10,809 old buildings, etc.; all of which are contained within the 18 provinces into which the country is divided and drawn up annually in long indices in a collective manner; such as rivers and mountains, warriors and scholars, products and imports . Their police and legislative powers proclaim regularity and strictly ordained order. The whole building of state in all relations and obligations of station is built on veneration that the sons and all other dependents owe to the father of the land that protects them through authorities, each man as a child. Could there be any better principles by which to rule men? No landed aristocracy; only a nobility prevailing in all ranks. Oppressed men might come to stations of honour and those stations of honour alone shall give dignity. The people are not forced to accept any certain religious belief, and no one will be persecuted as long as he does not attack the state: adherers to Confucius, to Lao-tse, to Fo, even Jews and Jesuits, live peacefully side by side. Their rule of conduct is based on ethics, their ethics are irrevocably built upon the holy books of their ancestors; the emperor is their highest priest, the son of heaven, the protector of the old traditions, the soul of the state all rest in his limbs; could one think of a more perfect method of government, if everyone of these circumstances and principles is executed in the practice of living?

Herder's most illustrious student, Johann Wolfgang Goethe (1749-1832), also was interested in the Far East. His early writings contain references to Chinese art objects. He reviewed a poem in 1773 concerning China and about 1777 began his Triumph of Sentimentality, act two of which has a Chinese background. Goethe in 1781 read the standard General History of China, by the missionary, Father Du Halde, and the same year began Elpenor, an unfinished tragedy, similar to one found in Du Halde, called Orphan

of the House of Tchao. Goethe composed The Chinaman in Rome in 1796 to show his impatience with the romantic attitude taken toward China:

In Rome I saw a stranger from Pekin; Uncouth and heavy to his eyes appeared The mingled piles of old and modern time. "Alas," said he, "what wretched taste is here! When will they learn to stretch the airy roof On light pilastered shafts of varnished wood—Gain the fine sense, and educated eyes, Which only finds in lacquer carving quaint, And variegated tintings, pure delight?" Hearing these words unto myself I said, Behold the type of many a moon-struck bard, Who vaunts his tissue, woven of a dream, 'Gainst nature's tapestry, that last for aye, Proclaims as sick the truly sound; and this, That he, the truly sick, may pass for sound.

Goethe recognised the greatness of China and "considered this valuable country a place where I can flee in case of need caused by present day circumstances." He read western translations of Chinese literature and was interested in Chinese plays. A revealing viewpoint concerning the Chinese novel is found in Conversations with Eckermann:

Wednesday, January 31, 1827: Dined with Goethe. "Within the last few days, since I saw you," said he, "I have read many and various things; especially a Chinese novel which occupies me still and seems to me very remarkable."

"Chinese novel," said I, "that must look strange enough."
"Not so much as you might think," said Goethe, "the Chinamen think, act, and feel almost exactly like us; and we soon find that we are like them, excepting that all they do is more clear, more pure and decorous than with us."

Goethe, by 1813, saw China as the essence of stability, in contrast to the western chaos bequeathed by Napoleon. He expressed wonder over the "orderly, citizen-like" characteristics of the people. He was impressed by their "severe moderation," the key to China's persistent civilisation. Goethe wrote *Poems of a Hundred Beautiful Women* in 1827, part of which is concerned with Chinese women and their problems.

There are other 19th century Germans who saw the value of China and Japan in world culture. Chief among these were Friedrich Rückert, the Grimm brothers, H. J. Klaproth, and Wilhelm von Humboldt. Humboldt in 1812 discussed a Japanese grammar and its linguistic virtues but found it difficult to find adequate books from which to derive a knowledge of the language.

The most comprehensive book of travel written in these years was undertaken by the Swede, Karl Peter Thunberg, whose Travels, appearing in Germany in 1794, gives an account of the commercial, geographical, cultural, and linguistic elements of Japanese society. The standard German geography of the 19th century, Complete Handbook of new Geography (1822), contains the surveys of Thunberg. Until the works of Phillip Franz von Siebold, German knowledge of Japan was obtained mainly from the Swedish scholar. Von Siebold was so important that Alexander von Humboldt wrote in 1859 concerning his classic Japanese Records of Japanese Geography, that "there is not a part of physical geography which has not profited by your ponderous works

on the Japanese archipelago. Our gardens are adorned also with the plants you have introduced."

In 1707, there came to Dresden an alchemist, named Boettger, who was taken under the patronage of Augustus the Strong. Boettger, out of gratitude, promised to manufacture porcelain and in 1709 succeeded in producing some of this popular article. The following year, porcelain making was moved to Meissen and here the famed "Chinese blue" was imitated. It is evident that the German basis for porcelain is of Chinese origin. Lacquer too was accepted with eagerness by the Germans. The first genuine lacquer work was produced in 1757 by Stobwasser of Brunswick. Lacquer canes with Chinese designs were introduced into the army by Frederick the Great.

The technique of French gardens and French architecture have been copied throughout Europe since the days of Louis XIV. The resident castle of Clement Joseph of Bavaria, however, about 1689, was completed at Brühl and near its main gate a small Chinese house, with curved roofs and bells was built. This edifice is called the "Snail-shell." The most famous garden in Germany is Sans-Souci of Potsdam, constructed by Frederick the Great. In the south-east corner of this garden, before the Seven Years' War, was a freakish Chinese tea-house, with overhanging roof, and an oriental figure on top supported by a gilded palm trunk around which were grouped tea-sippers dressed in Chinese garb. The so-called "Dragon House," near Potsdam, was erected by Frederick the Great as an experimental pagoda. There are other spots with Chinese atmosphere. The palace at Pillnitz on the River Elbe shows Chinese influence and the Landgrave of Kassel conceived the idea of making a Chinese village complete with houses grouped about a temple and a stream spanned by a colourful bridge.

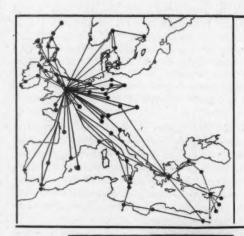
Although the 18th century was the high peak in east Asian studies, the years since have not been barren. During the 19th century the languages of Asia were investigated. German scholars of renown, including Adolf Forke, Otto Francke, Wilhelm Grube and Richard Wilhelm carried on this cultural work. Wilhelm, as a young man, was a missionary in China and ended his distinguished career in 1930 as Professor of Chinese History at the City University of Frankfurt.

Early in the 20th century the most artistic theatres in Germany borrowed the revolving stage, invented about 1700 by a Japanese. In music, the opera, as in the past, prevailed. Out of Japan, written in 1903 by an unknown author, became popular. Von Frankenstein in The Kaiser's Poet (1920), portrays an intoxicated Chinese poet. Hans Gal's The Holy Being (1923), is the story of a Chinese coolie affected by opium.

German authors with international reputations have been influenced by eastern Asia. Alfred Henschke's *The Circle of Chalk* (1925), contains a dramatic Chinese situation. Claude Du Bois in 1936 wrote *The Conqueror of the Devil*, based upon an 8th century Chinese story, while in 1937 Wilhelm Schmidtbonn composed a novel, *Hu Lu*, based on the life of a Chinese girl in the West.



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ECONOMIC SECTION

ASPECTS OF AFGHANISTAN'S ECONOMY

By an Afghan Economist

TRADE and commerce is possibly the most ancient occupation of the Afghans, for situated as the country is between localities where in olden times important empires flourished, it was natural that our mountain country should have acted as a trade link between them. There is, for instance, on record that it was through Afghanistan that the Great Silk Road, running from China to the shores of the Mediterranean, was fed by a trade artery as long ago as 5,000 B.C. The goods which the merchants collected from India went by way of caravan route to join the Great Silk Road to replenish the richly decorated shops of imperial Rome. Kabul, the present capital city of Afghanistan, thus acted as a clearing house of many goods from India and beyond. Curiously enough this practice continued throughout the ages, for up to the year 1887 Kabul and Kandahar markets supplied the requirements of the one time Central Asian Khanates of Bokhara and Khokund; and Afghan goods could be found as far north as Khiva on their way to Orenburgh and to inner Russia of the Czars.

Nor was the Afghan Karakoul exported to Bokhara alone, but to India, and imported in return were such items as sugar, tea and spices. This trade was small in volume till 1915, when some small beginning was made in Kabul for industrial plants to supply local markets; but when Afghanistan entered into closer relations with foreign countries in 1919 she became more free to do trade with her neighbours and trade and commerce received unprecedented encouragement. From 1919 onwards Afghan goods were being sent to European markets; but right from the very beginning it was noticed that for a landlocked country it was a hindrance of no small measure to send out its produce through other lands; and later years served to emphasise this weakness in Afghan commerce, for practically all Afghan goods were shipped from the port of Karachi. Also, the roads in the country itself were both poor and few in number; hence much of transport was by way of slow moving camel caravans through difficult passes. Afghan trade, therefore, continued to suffer through these difficulties until the Afghan revolution of 1929.

When peace came in 1930, and the present ruling dynasty was established, Afghan trade developed rapidly. Many unnecessary Government controls were abolished in 1953 and the policy of free trading was practised. Export Corporations were started, scattered capital funds of private concerns were pooled, exportable commodities were encouraged by the present Government. Afghanistan signed trade agreements with a number of countries like India, Germany, England, the Soviet Union and Czechoslovakia. Loans to build the damaged and undeveloped economy of the country were received from several countries. In the same period—1919 to 1953—efforts were redoubled to improve

the means of transportation and communication within the country. Road development became the first concern of powers-that-be; so that today motor transport can traverse the most outlandish parts of Afghanistan.

The main agricultural commodities here were Karakaul skins, cotton, wool, dyes, carpets, fresh and dry fruit, and medicinal herbs, which accounted for 88 per cent of Afghanistan's total exports. The items which were brought into the country from abroad were cotton piece goods, sugar, tea, petrol, building material, machinery and equipment. The industrialisation of the country, however, demands more and yet more capital; thus efforts are being made to attract foreign investment at fair rates; and in order to ease the pressure on foreign exchange and to ensure the marketing of Afghan products at fair prices, this country has entered into bilateral agreements with a number of its trading partners.

The latest figures available of imports and exports since 1948 in millions of Afghanis are as follows:

			Exports	Imports
1948-49	***	***	652	364
1949-50			717	575
1950-51			961	534
1951-52			744	644
1952-53			1,030	703
1953-54	***		949	884

Much has been done in the past in the economic field, yet exports and imports can still be increased, and the standard of living of the people promoted to a higher level. Available foreign exchange has not as yet been sufficient to finance more than the very pressing needs of consumer goods. Due to these circumstances, the present Government is taking very energetic steps to develop a plan for economic betterment, and has thus established new organisations to implement the various trade efforts of the country; and, therefore, the following units have been brought into being: a commercial bank, an agricultural and cottage industry bank, and a loan and construction bank. Notable among them is the Commercial Bank, designed to facilitate the production of cotton, to encourage farmers of cotton to employ modern methods in cotton cultivation, to improve the quality and standardise cotton, to install modern ginning and pressing plants and to export cotton to foreign countries.

Next in order is the establishment of a transport corporation, the duty of this organisation being to improve transport and to so adjust matters as to reduce commercial freight. Then there is the Karakaul lamb livestock co-operative intended to improve the lamb livestock, to campaign against animal diseases and pests amongst the lambs, and to induce the breeders to employ modern methods in rearing the lambs and to fix buying prices of Karakaul in the interests of the producers, thus preventing losses to farmers. There is too, an exchange regulation, which has been made to utilise the foreign exchange obtained from exports, and to employ those funds for purchasing essential goods for the country. The present Government has been considering a five-year plan in the field of national economy. The following points will be covered in that plan: establishment of a wool exporting firm which shall have among other functions the purchase of wool from the livescek breeders, promotion of modern methods of shearing, installation of modern machinery for washing, combing and spinning of wool, standardising of wool, and the development of Afghan wool exports to foreign markets. Merino sheep will be reared also in Afghanistan, under the care of this organisation.

Lastly, in this connection the fruit exporting corporation is to be started, which will introduce proper methods of fruit processing, for at the moment about 30 per cent of the country's foreign exchange is derived from this industry. Other points in view in the five-year plan are the creation of commercial insurance companies, the establishment of commodity and stock markets. Centres for buying and selling Afghan goods will be installed in European countries as well as in America; arbitration laws, commercial court procedure; pooling of capital and the formation of commercial and industrial corporations will be evolved.

Agriculture

Although territorially Afghanistan is a vast country of about 256,000 square miles, yet due to the fact that much of the area is mountainous, large tracts of agricultural enterprise are not to be seen. However, the basic economy of the country is agricultural, and nearly 85 per cent of the 12 million population live upon the proceeds of land. The country, too, is classed as a backward area of the world, more in the sense of industrial progress rather than culturally or even agriculturally.

Until recently, however, much more attention was given by the Afghan agriculturalist to livestock breeding, such as Karakaul and horses and the like, the first named being a valuable foreign exchange earner. But the tendency now is for the market for the Afghan lamb-skin to be at best a luxury market. Therefore, greater attention is being paid to the produce of the soil. Wheat is a major crop where water and level ground can be found; thus in the regions of Herat (north-west), Kandahar in the south-east, in the Kabul valley and elsewhere a great deal of wheat is grown.

Care is now taken to "clean up" wheat fields, so that only one type of grain can be found in one and the same field, whereas formerly several kinds of wheat were found to be growing in the same field. Barley is the next cereal which the people use as staple food, whilst pulse and rice form a part of the villagers' diet. In the eastern part of the country large forests are also be found, where steps are being taken to make greater use of timber and other forest products like gum and resin. Large tractors and farm machinery have not been introduced in agricultural Afghanistan because extensive acreage of land is not available, and fields are generally much smaller than those usually met with in European countries; and secondly the soil is not always free from small stones.

Realising the importance of irrigation in Afghanistan a scheme has been going ahead in the south of the country since 1947 known as the Helmand Valley Project. The first workers of the scheme were the Japanese, but when they gave up the effort it was taken over by an American engineering firm called Morrison Knudsen-Afghanistan Inc. The project consists in constructing dams and harnessing the water of the River Helmand. It is estimated that this development will provide for the continuous irrigation of 288,740 acres of land previously under cultivation, and will also provide water to an additional 591,335 acres of new land after 25 to 30 years. The second stage of the Helmand Valley project contemplates the irrigation of 575,000 acres of land. Moreover, 120,000 kilowatts of electric power are expected to be supplied from one of the dams known as Kajaki Dam in the area.

A regular supply of water for irrigation being an absolute necessity for Afghanistan, other schemes, too, are actively under way in other parts of the country, for instance in the extreme north at Qunduz and Kokcha, steps are being taken to bring water to cotton and wheat fields in order to extend the area of cultivation. According to these projects it is estimated that 500,000 acres at Qunduz and 232,500 acres in Kokcha will come under cultivation. A Swedish company has been making a survey in those areas, and in addition to getting water for agricultural purposes, it is contended that some 30,000 kilowatts of electric power could be made available there.

The acquisition of electric power in Afghanistan is relatively easy, for Afghanistan, having many mountain streams, can profit by the force of the hill waterfalls in generating electric current. The electric power thus acquired will materially assist in giving power to the expanding Afghan industry, and what is more, Afghanistan can quite easily provide electric power to neighbouring countries at much smaller cost than produced say in India or Persia through local methods. This point was made by the Afghan Minister of Economy at an Economic Conference recently in Japan.

The position of livestock breeding in Afghanistan is not without interest. Every year about a quarter of the livestock is endangered by disease, so that if Afghanistan is to safeguard and to preserve its Karakaul industry energetic steps must be taken to protect the Afghan curly haired lamb from pests. This is being done with considerable skill and dispatch, and the Afghan Ministry of Agriculture is being assisted in this regard by United Nations experts.

Recently, too, attention has been paid to sericulture with the help of FAO, and reports currently at hand speak of the possibility of the production of silk in Afghanistan of even better quality than Chinese. The northern regions of the country are found to be most suitable for planting mulberry trees and the Government is distributing silkworm packages to interested farmers free of charge to encourage sericulture. The farmer's lot in Afghanistan is not hard, for land taxes are probably lighter than anywhere in the world, and the level of his living is certainly higher than in most countries of Asia.

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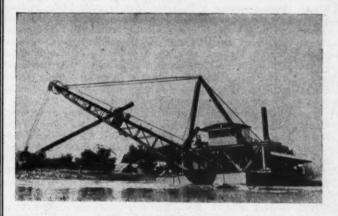
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ITALY DISCOVERS ASIAN MARKETS

By Our Rome Correspondent

THE developments in Italy's trade with South-East Asia are of the kind that take place when markets discover each other. The initiation of direct trade relations between Italy and those countries has only developed in the last two years. Italy's imports from India of raw materials—castor and other oil seeds, textile fibres of all descriptions, iron fragments and pig iron, wool and fruit juices—rose five-fold in quantity and in value between 1954 and November, 1955. The fact that the highest rises are seen in the sections where the global value is smallest—like wool, for instance—is the best evidence that direct relations are the main cause of the rise.

Imports of unwashed wool did not surpass 14 metric tons in 1954; in November, 1955, they had already risen to 74 tons. After India became independent, it was only a matter of time until a country hungry for raw materials like Italy would open up trade with a country like India. Coal imports rose from zero in 1954 to 160 tons in the first ten months of 1955. Imports of fruit consisted chiefly of mangos-mangos having become very popular with Italian consumers. It may seem strange that a country like Italy, one of the world's largest exporters in acid fruits, should find oranges and lemons an important item of import. They are mostly used for the conserving industries. India has resumed her former place as a supplier in spices and pharmaceutical plants. During the two years mentioned above, imports of spurred rye, tonka beans, aloe juice, quassia, opium, and tamarind pulp have all largely risen-especially the latter.

India's exports to Italy rose from 6.092 million lire in 1954 to 8.102 million in the first ten months of 1955, an increase of about £1,140,000. This rise in imports has been welcomed in Italian business and official circles, as a means of balancing payments and recovering Italy's considerable credits in sterling accounts. Italian exports to India in 1954 were higher by 20 million pounds than those in the first ten months of 1955. A full quarter of this decrease was due to the cessation of imports of petrol and oil products, consequent to the full resumption of regular imports of those items from Iran. The rest consists in falls in exports of manufactured goods-machinery, textiles and some chemicals. The fall in exports is very equally distributed among these last items, which shows it to be due to various causes, among them competition from Germany, the USSR and other countries, and also to protective measures taken by the Indian Government. These measures have proved particularly efficient in the field of paper and cardboard products and natural and artificial textiles. As for competition, Italian exports have suffered from it partly on account of hopelessly uncompetitive prices, partly also from the fact that exports from competing countries are still in the stage of "aggression," that is, of market-breaking dumping. Nevertheless, in spite of many difficulties, Italian exports hold their own in the field of mechanical construction, and electric machinery. The Officine Meccaniche Elettriche, of Milan, secured a contract for the supply of six complete electric trains for the suburban railways of Madras, and the famous Breda Works are to supply 26 trains. Another Italian firm was given anorder for 180 miles of electrical equipment for Calcutta's suburban railways. These successes make good — in part — the setbacks endured in other fields, and are a good preparation for economic recovery. On the other hand, it must be admitted that Italian industry is very backward in the field of public relations, and has tended to neglect exports, in favour of the home market.

In the general trade between Italy and India "occasional" exports and imports play a considerable part, though it is difficult to ascertain their amount-apart from oil products. This latter fact is characteristic of a period of reciprocal discovery between markets, as occasional items are often apt to become permanent. For instance, it is mainly through occasional exports that India and Indonesia rose to the third place among Italy's suppliers of coffee. The most important effort towards penetration of the Indian market was the establishment in New Delhi of an office of the Finmeccanica, the great holding society which groups all the mechanical industries under State control. The Finmeccanica in its turn is a part of the IRI, the general holding. With this, Italian State industry can be said to enjoy proper representation, but the need still exists for frequent visits by experts in order to make Italian techniques better known.

Trade between Italy and China has suffered from frequent and high fluctuations in almost all items, from oil seeds to chemicals and perfumery. For instance, exports in machinery to China fell from £146,000 in 1954 to practically nothing during 1955, while imports from China in soaps, glycerine, and derivatives from coal distillation rose from nil to £84,000. It is obvious that trade with China consists chiefly of purchases and sales of quantities of goods occassionally available at a convenient price. Permanent exports are chiefly products from China to Italy, while Italy's most stable item of export to China is chemicals—chiefly pharmaceuticals. A new feature of Chinese exports to Italy consists of coal derivates, mostly phenous naphthaline. Little can be predicted on the future of Italy's trade relations with China. Signor Gronchi's visit to the United States seems to have been without results in this field, and in his disclosures to the American Press the President of the Italian Republic said that the matter of recognition had not been discussed with Mr. Eisenhower. This was rather a disappointment for before his departure at the beginning of February an American journalist published an interview with him in the Christian Science Monitor, giving Signor Gronchi's opinions on China's admission to the United Nations. These and other opinions ascribed in the article to Signor Gronchi were denied by the Press Office of the Presidency of the Republic, but it was admitted that the interview had taken place. The negotiations between Italy and China linger on in London, Italian diplomacy having insisted until now on concluding a trade agreement without raising the issue of recognition. It must be added that, in spite of their desire for the conclusion of a trade agreement with China, Italian business circles have not yet become alive to the fact that this is almost impossible without recognition of the Peking Government,

Of the countries in South-East Asia, Indonesia has the most favourable balance of trade with Italy. Her exports to Italy are exceeded by imports by a mere 20 per cent. Indonesia is rapidly becoming one of Italy's best customers for inorganic chemical products, chiefly caustic soda, while the Milanese firm Carlo Erba has started a plant for producing pharmaceuticals in Indonesia. Exports of typewriters and other office machinery have slightly fallen after a comparatively bright period, while shipping and railway material exports suffered one of the setbacks frequent in this field. Imports of rubber and oil seeds also fell between 1954 and 1955, chiefly owing to the lack of a proper commercial organisation. Consequently purchases were mostly made by Italian importers in large European markets such as London. Motor cycles and motor scooters and their parts are also important items of export to Indonesia, though there is no prospect of organising any assembling plant as has been done in India. At the present moment the bilateral agreement between Italy and Indonesia has expired, and as the new Indonesian Cabinet is more bent on general liberalisation than on bilateral agreements, there are no prospects of renewing it, despite willingness on the Italian side.

Liberalisation is no part of the commercial policy of Japan. Its trade with Italy, small as it is in size, is ruled by an agreement signed on October 18 last year. It may prove difficult for both Governments to maintain their commitments, as the items of trade have proved very fluctuating. For the moment, Italy's trade balance with Japan has proved a very favourable one, chiefly owing—as is the case with China—to the scarcity of Japanese exports to find a market in Italy. One of them is fish, chiefly tunny, while Italy has become a small but by no means unimportant supplier of rice, quantities being frequently sold on the Japanese market by auction. Japan is the only Asian country to supply Italy with steel and machinery, but exports to Italy of rolled steel fell by more than 50 per cent during the first 10 months of 1955. During

the same period Italy's exports of machinery to Japan fell by more than half, again mainly owing to the lack of initiative on the part of Italian industry.

At present, negotiations are taking place between Italy and Pakistan, with the object of securing for Italy "single country" import licenses into Pakistan, in return for Italy's pledge to buy at least 480,000 bales of Pakistani cotton. This condition is difficult to accept, as Pakistani cotton prices have greatly risen owing both to the revaluation of the Pakistan rupee, and to the expansion of the Pakistan home cotton industry, which tends to absorb the whole raw cotton supply. It is one of the main causes for the balance of trade with Italy being favourable to Pakistan, though by no means in a healthy way. The balance fell heavily between 1954 and the first 10 months of 1955 and the reason, in addition to the fall in Italian wound cotton exports, was the gap left by substantial exports in railway material, which, as usual, took the form of a single order.

The other South-East Asian countries with an active balance of trade with Italy are Malaya, thanks to rubber and tin, and Ceylon. Copra and rubber are the main objects of Ceylon's exports to Italy, and the balance of trade is largely favourable to Ceylon. Italy's exports to that country fell heavily owing to the resumption of Iranian oil imports. Recently, however, Italy succeeded in obtaining orders for ships, and in increasing her exports of potatoes and potato seed.

In conclusion, it can be said that Italian trade with the countries of South-East Asia is still in the making, or rather that it is still growing, although without any plans for its development. Italian industry is nearer to Asia than any other large European industries, and, although Italian prices are not competitive, Italy has the opportunity to fill gaps left by her competitors, as has frequently happened during the last four years. This makes her a competitor not to be underrated, and capable of giving surprises.

BURMA'S ECONOMIC PROBLEMS

By Sir Hubert Rance

AT the conclusion of the war, Burma was one of the most devastated countries in the world. Even with the best will in the world and with stable conditions many years must have elapsed before pre-war production was obtained, but with the constant internal strife which has torn the country, economic life has suffered many setbacks.

Before the war Burma exported about 3 million tons of rice, nearly 1 million tons of oil, 150,000 tons of lead and zinc concentrates, 6 million ounces of silver, 400,000 tons of teak, and large quantities of tin and tungsten. Today the picture is quite different. Leaving rice for the moment, we find that Burma is not producing enough oil for its own requirements and is consequently importing—with the completion of the Syriam refinery this year Burma should again be self-supporting, but there will be none for export. The Bawdwin mine is working to about a third of its pre-war capacity producing lead and zinc concentrates and silver, but the Mawchi mine, which produced tin and tungsten and was a large revenue producer, is not yet working.

Because of the impossibility of bringing teak down country to the saw mills of Rangoon and Moulmein owing to

the unsettled condition of the country, little teak has been exported. But when I was in Moulmein recently the first big consignment arrived, a raft of 8,000 teak logs, and I saw other rafts in the Rangoon river a few days later taking logs to the mills—a happy sign.

Rice, however, is the crux of the economic problem. The production of rice and its transport to Rangoon and Moulmein has been maintained remarkably well when compared with other exportable products, with the result that whereas in pre-war days rice represented about 40 per cent of the export revenue, today with oil and teak at a standstill it represents about 80 per cent. That, in my view, puts Burma in a very vulnerable position, being so dependent on a one crop economy.

It would seem that in a time of world shortages Burma with its rice made the same mistake as Pakistan did with jute; both hoped to make a big killing every year by pricing rice at the highest rate possible. All worked well for a time and then the open purse was closed. Purchasing countries went elsewhere or bought agricultural products other than rice to satisfy the needs of their peoples. India, which in pre-

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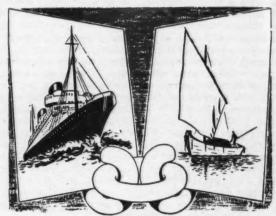


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war years annually purchased about 1 million tons of rice, has stopped purchase altogether. So today we find Burma with vast quantities of rice from past years' crops in store and no major cash purchasers in sight. The position seems to have become almost desperate some time ago and Burma has resorted to a number of barter agreements with certain countries, which can never be entirely satisfactory.

In 1948 the new Burma Government, filled with enthusiasm, intended not only to repair the ravages of war but also to proceed with speed with schemes of industrialisation. We must remember also that this Government, composed of the AFPFL (Anti-Fascist Peoples Freedom League), was mainly Socialist in character and nationalisation of industries was a major plank in their programme. The timber forests were taken over by the Government, likewise other concerns such as the Irrawaddy Flotilla Company and the cement factory, and a State Marketing Board was set up to deal with agricultural products, a sphere of operations formerly conducted by private trade.

The Burma Government after a time also decided to enter industry as a joint partner. Joint venture schemes were therefore initiated with the Burma Oil Company and Burma Corporation, and talks are now taking place for further joint ventures with Mawchi Mines Ltd. and Unilever; the latter is proposing to set up a soap factory.

At the same time, the Government was forging ahead with its own schemes for industrialisation. A great deal of advice from various sources had been given as to the projects which might be worthwhile and the Government initiated many of these projects. A silk factory with Japanese technicians was started in Maymyo, likewise a milk canning factory with a Danish expert in control.

In the Rangoon area a new textile factory is in operation, and so also is a pharmaceutical factory (operated by an English company, Messrs. Evans). A steel mill is being built which initially can operate on the vast stocks of war material, but later would seem to depend on imported ore, and large areas have been laid out for other industrialisation schemes. In the Shan States a large hydro-electric scheme is under construction to provide an output of 82,000 kW. a day. On top of all this is a vast building programme—wide scale extensions to the University, a new and palatial broadcasting station, and many other projects.

That is a general picture of the situation. Burma is at present in a difficult position, but when imports of oil cease, when exports of teak in large quantities are renewed, and the Mawchi mine is again producing and exporting tungsten, the position should greatly improve. But the sale of rice will still remain the crux of the problem until markets are found willing to buy for cash.

BURMA PHARMACEUTICAL INDUSTRY

IN January the Temporary Production Unit of the Burma Pharmaceutical Industry was opened. The Burma Pharmaceutical Industry is being built up as a result of the agreement which was signed in October 1953 between the Government of the Union of Burma and Evans Medical Supplies Ltd., Liverpool.

At the opening ceremony Thakin Chit Maung, Minister for Public Works, said that the pharmaceutical industry was not only a new industry in Burma, but also a key one. It demanded the highest degree of technical competence and skill, the utmost care and accuracy in applying those skills and the highest standards of working conditions, and of cleanliness and sterility.

To ensure a sound foundation for the industry's growth cooperation had been sought from the leading representatives of the pharmaceutical industry abroad. The Minister said he was glad to have the benefit of the Evans Medical Group's 150 years' experience. The factory site, he said, covered more than 66 acres. An alcohol distillery was being built which would be capable of producing medicinal, industrial or burning alcohol to the extent of 2,500 gallons a day. Yeast would be produced, as would vaccines and sera to meet the needs of the whole country, when the yeast factory and biological institute were completed.

Mr. Ian Fergusson, Chairman and Managing Director of Evans Medical Supplies, said that the planning of a project of such dimensions and variety necessarily constituted a major undertaking. The tasks of his company's experts were magnified in many directions by having to face up to, and somehow solve, problems not previously experienced but which inevitably arise from climatic and other conditions. He said that in a new undeveloped area it had been impossible to avoid a considerable capital investment in ancillary services,

such as water wells and pumps, sewage disposal installations, electric generators, laundry, protective clothing and so on. It was always difficult in planning a new enterprise to avoid on the one hand building too little too late, and on the other, building too large a structure which could become a white elephant.

Saw Aung Pa, the Burmese Minister of Health, said that the industry was conceived primarily as a social welfare measure. Burma was setting up the industry not because she could afford it, but because she could not afford to do without it.



Distinguished visitors to the unit are (left to right), Thakin Chit Maung, Public Works Minister; Saw Aung Pa, Minister of Health; Mr. Simons, of Evans; and Mr. Gore-Booth, British Ambassador in Burma.

JAPANESE WOOLS RECOVER

By Dudley Birks (International Wool Secretariat)

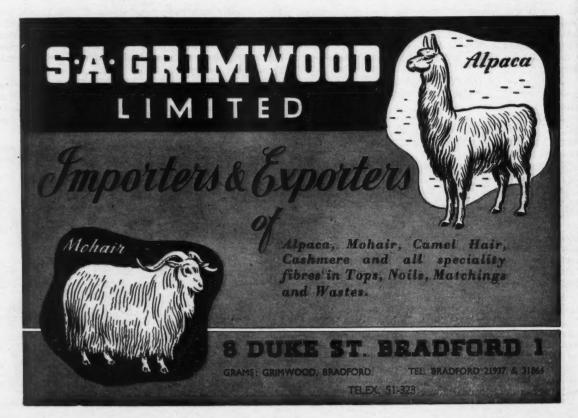
ECONOMIC changes in Japan during recent years have been so numerous and varied that it has been difficult at times to be precise in assessing her position. An example of these changes can be found by studying events of the last two years. Eighteen months ago Japan was confronted by an ironical situation. Her gradual displacement of the kimono by western-style dress had led to the establishment of a large wool textile industry with exports which, in 1954, were valued at \$54,352,000. Even so, Japan had economic difficulties. Her exports still lacked the expansion necessary for national solvency, and woollen and worsted yarn production in 1954 totalled 175,341,000 lb.—a drop of 11,287,000 lb. on 1953's total. In fact, at times during recent years Japan has shown an excess of wool cloth imports over exports. This makes strange reading for a country normally regarded as one of the world's most competitive wool textile exporters.

Japan was living beyond her means and, despite American aid, her balance of payments position was serious. The extent to which this situation has improved since then can be judged from recent reports of Australian wool sales. These have referred frequently to strong Japanese competition for supplies, thus indicating that Japan's wool textile industry

has returned to the course of post-war recovery from which it deviated in 1954.

Another indication of changed circumstances was the recent announcement by the Japanese Trade Ministry that it would like to increase substantially Japan's raw wool imports in the financial year beginning April, 1956. The increased total hoped for was between 800,000 and 900,000 bales, compared with 700,000 in the last financial year. The latter figure is a substantial advance over the 500,000 bales allowed for the year under a currency allocation.

This rapid growth in allocations is due to two factors: lower wool prices, which now permit bigger quantities to be bought with available foreign currency, and Japan's improved external payments position. The Bank of Japan now reports a favourable trade balance of £176 million in 1955, and her foreign currency holdings have now risen to £500 million. Reduced food imports following a big rice crop, and increased exports, which rose by £153 million last year, are the chief reasons for this rise. One factor contributing to bigger exports has been the Anglo-Japanese payments agreement, and Japan's plans to expand its Australian wool purchases are in accordance with the agreement's provisions.



As domestic wool production represents only 2 per cent of current requirements, Japan's wool textile industry depends almost entirely on imported wools. Immediately after the last war wool imports were on a very small scale, but they were rapidly expanded-particularly during the Korean boomand by 1953 had reached 197 million lb., little below the prewar average of 203 million lb. Wool consumption actually declined in the first post-war years as the small available stocks were exhausted, and in 1948 amounted to only 8 million lb. (clean basis). Thereafter it increased rapidly, and the 1953 figure of 125 million lb. was 16 per cent above the 1934-38 average. The curtailment of imports in 1954, however, caused consumption to fall to 110 million lb., though the reduction was less than the drop in imports. During the first nine months of 1955 consumption amounted to 90 million lb., and the total for the year is expected to be well about the 1954 figure. The recovery of the wool textile industry has been characterised by an improvement in the quality and quantity of its products. Such improvement was limited in the immediate post-war years because the proportions of virgin wool which could be used were severely restricted and manufacturers had to use large quantities of other materials, chiefly shoddy.

In 1948, virgin wool represented little more than onefifth of the industry's raw materials, but the proportion rose as larger supplies became available, and by 1953 new wool accounted for 55 per cent of the fibre intake. Another characteristic of the industry's revival has been the re-establishment of the primacy of the worsted sector. Before the war worsted accounted for two-thirds of the total yarn output, but in the early post-war years the proportions were reversed. Much equipment was destroyed during the war, and the cheaper woollen machinery was more easily replaced by firms with limited capital. Moreover, woollen plant was more suitable for use with the large proportions of other fibres which mills were ordered to use at that time. Greater availability of wool encouraged the restoration of worsted capacity, and by 1953 almost 50 per cent of productive capacity was turned over to worsteds.

The 1954 cut in output was borne entirely by the woollen sector, where yarn production fell from 95 to 74 million lb., while worsted yarn actually increased slightly, from 92 to 94 million lb. Currently some 56 per cent of yarn production is worsted, and an increasing proportion of this is made from pure wool. This restoration of worsted production was aided by substantial imports of tops, which rose from 0.4 million lb. in 1949 to 19.9 million lb. in 1953, Uruguay being the main supplier.

Perhaps the most interesting aspect of the Japanese wool textile recovery is the extent to which it has been based on the home market. While the industry originally developed to meet domestic needs, there was a rapid expansion of exports during the five years before the war, accompanied by only a modest increase in wool textile output. It was therefore natural to anticipate the reappearance of Japan as a major textile exporter as her industry regained its pre-war capacity. However, no trade of importance developed before 1953.

Japan's wool textile export trade did not begin until 1932 and it is only since the 1914-18 war that the industry has been forming raw wool into finished fabrics. Her change in national dress has had an interesting effect on her wool textile industry. Until the end of the last century most of the woollen

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and worsted fabrics consumed in Japan were imported. There was merely a small output of muslin from domestic hand looms to make the kimono, the traditional dress. The kimono, as has been stated, is now virtually confined to homely or ceremonial occasions. Its disappearance began just before the First World War, when 10 per cent of Japan's people had adopted western clothes. Before the Second World War 33 per cent had changed over to western dress. Those who prefer western dress to the kimono today represent 70 per cent of the population. Incidentally, this western dress trend is so marked that there are now a number of large schools in Japan where young people are taught dressmaking. By no means the largest is the Sugino Dressmaking School, which has 7,000 pupils.

Japan's presence in the international market is now being felt by a number of nations. India, for instance, cannot compete with Japan's low-priced wool textiles. Britain, too, is faced with very keen competition in a number of markets. A typical example of this are the prices charged for high-quality Japanese wool goods on New York's Fifth Avenue-prices about 20 per cent below those of similar British garments. Always watchful for ways of improving her position abroad, Japan is now making wool suitings to meet the special requirements of the American market. One of these is that they must be 60 inches wide.

The reason for this watchfulness, of course, is that the continued progress of the Japanese industry depends not only on raw material supplies but on good markets for finished goods. The former is mainly a question of the availability of sterling, since Japanese machinery is adapted to Australian merino wool, and considerable difficulties were encountered in substituting South American wools last year.

The Japanese Government is encouraging the development of domestic wool production. This is now over 4 million lb. (greasy), or four times the 1946 figure, and it is planned to increase sheep numbers from the present 700,000 to 3 million in 1960. Yet even if this plan is fulfilled, home-produced wools will still only meet a small fraction of Japan's requirements. This plan, however, shows a change of heart on the part of the Japanese authorities who have always been somewhat reluctant to pass over for grazing any land that can produce food. A growing population—70 million in 1938 and now 90 million—should provide an expanding home market if incomes per head of population are maintained, but the rate of population growth is slow in proportion to that exhibited by the wool textile industry, and Japanese manufacturers are showing increasing interest in overseas markets.

Japan's main pre-war outlets for wool textiles were India, China and Manchuria, but India is now building up her own wool textile industry behind protective barriers, and trade with the other markets is inhibited by political considerations. In recent years Japan's best wool textile customers have been Persia, South Africa, the United States and Hong Kong, but it seems probable that Japan will need to develop other markets as well if exports are to be increased further. Japan's admission into full membership of the General Agreement on Tariffs and Trade (GATT) should assist this, though the significance of that decision has been reduced by the invocation by several potential importing countries of Article 35. This permits them to withhold from Japan the tariff concessions granted to other countries.

UK Wool Industry's Exports to Japan

By A Special Correspondent

THE exports of UK wool and woollen industries to Japan are increasing. During the first two months of 1956 the share of these industries amounted to over 40 per cent of the total UK exports to Japan, and there are indications that the trend of increased exports of these goods is to continue.

The value of UK total exports to Japan increased from £11.3 in 1954 to £13.2 million in 1955, but was still under the level of 1953 exports which had amounted to the value of £17.5 million. The 1955 UK exports included those of wool, hair and tops worth £1.9 million (£1 million during the corresponding period of 1954) and those of woollen and worsted yarns and woven woollen and worsted fabrics worth £2.8 million (£1.5 million during the corresponding period of 1954). Thus the 1955 total increase of exports was due to increased exports of these UK industries whose share increased from about 22 per cent in 1954 to over 35 per cent of the total exports.

The UK exports of wool tops to Japan developed as follows:

1953	 1,931,000	1b.		£	949,784
1954	 628,000	lb.	***	£	313,580
1955	 2,601,000	1b.		£1	.269.119

During the first two months of 1956 the total UK exports to Japan increased to £2,438,907 from £1,621,120 during the corresponding period of 1955. The 1956 exports show again an increased share of the exports of the wool and woollen industries, and included wool, hair and tops exports worth £621,166 (£105,367 during the first two months of 1955), wool yarns and woven fabrics exports worth £393,685 (£258,763 during the corresponding period of 1955).

The exports during the first two months of 1956 included:

159,000	lb.	raw wool	 £ 56,799
437,000	16.	wool tops	 £209,037
718,000	16.	wool waste	 £246,028

19,947 lb. worsted yarns		£ 12,712
283,000 sq. yds. woven woollen fabrics	***	£254,071
93,000 sq. vds. woven worsted fabrics		£ 87.056

UK Wooltops Exports to China

UK exports of wooltops to China continue to increase and as a result of the recently placed orders, the exports during the first two months of 1956 amounted to 2,414,000 lb. to the value of £1,008,158. During the corresponding periods of 1954 and 1955 the UK exports of wooltops were 531,000 lb. and 1,012,000 lb. respectively.

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INDIAN COMMERCIAL AGREEMENTS

A TRADE agreement between India and Yugoslavia was signed in New Delhi on March 31. The agreement came into effect on April 1 and will remain in force until the end of 1959. The schedules will, however, be revised every year.

The agreement provides for mutual trade and for closer schemes and technical co-operation between the two countries, Payments for commercial transfers can be made in Indian rupees or pounds sterling, whichever is convenient. Exports from India will include iron and manganese ore, mica, shellac, tobacco, cotton, textiles, jute goods and cottage industry products. Imports from Yugoslavia will include iron and steel goods, rolling stock, locomotives, ships and tractors.

On April 6 another agreement was signed in Delhi, this time between representatives of India and the USSR regarding a regular shipping service between the two countries. It was signed as a result of detailed discussions between Indian officials and a Soviet shipping delegation. Under the terms of the agreement both India and the USSR will provide six ships of total tonnage of about 55,000 d.w.t. each for operation in the new service. It is expected that twelve ships will have full employment.

The agreement provides for distribution of cargo on parity basis. An understanding has also been reached regarding mutually beneficial freight rates. The agreement represents a new stage in development of economic co-ordination and expansion of trade between the USSR and the Indian Republic.

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Burma's Economic Relations with Britain

By A. James

NEGOTIATIONS for another joint Burmese-United Kingdom commercial venture are in progress. This was stated by Mr. F. R. Cottell, the Chairman of the Anglo-Burma Tin Co. Ltd., at the annual general meeting of the company on April 11. Mr. Cottell informed the shareholders that the negotiations are proceeding on the basis that a new Burmese registered private company is to be formed which will acquire the physical assets in Burma of the old company. The Burma Government will subscribe in cash for shares in the new company and will thus provide funds for working capital and mechanisation. It is proposed that the shares, to be issued against the valuation of the existing assets, shall amount to 49 per cent of the new company's capital and that the Government's cash subscription will be 51 per cent thereof. It is hoped to complete the negotiations at an early date.

The experience of the previously formed joint Burma-UK commercial enterprises is encouraging, and I understand that the cooperation between the partners proceeds smoothly. The main problem of Burma's economy remains the disposal of the country's rice harvest in foreign markets (see the article by Sir Hubert Rance in this issue). The question arises whether an international publicity campaign "eat more rice" should be launched. Campaigns for the consumption of other commodities have been carried out for years (e.g. for tea, wool, etc.).

The Government of Burma is well aware of the fact that the dependency of the national economy on the exports of one commodity is of a precarious character. Therefore, the trend to diversify the economy of the country is basically sound, even if during this process mistakes and wrong

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decisions, such as the establishing of industrial enterprises for which there is no lasting economic foundation, were made, some of which were due to wrong advice by foreign experts. The Government of Burma is determined to carry out its development plans which will result in increasing the standard of living of Burma's population and it is evident that there is scope for British firms to participate in this process in their own and Burma's interests, and thus also to strengthen the good-will to Britain which exists in Burma to a high degree.

In the field of trade between the two countries the UK had a strong favourable trade balance, not least due to Burma's imports of goods required for the execution of development projects, during the last 3 years. The trade developed as follows:

	. fr	K Imports om Burma million £	UK Exports to Burma million £
1953	 	8.1	19.9
1954	 	7.1	22.9
1955	 	8.2	21.9

The 1955 UK exports to Burma included machinery (other than electric) worth £3.6 million, electric machinery, apparatus and appliances £1.8 million, road vehicles and aircraft £2.6 million, non-metallic mineral manufactures £0.4 million, iron and steel £0.6 million, non-ferrous base metals £0.6 million, manufactures of metals £3.6 million, chemicals £2.8 million, scientific instruments, watches, etc. £0.3 million, petroleum and petroleum products £0.3 million, cotton yarns and woven fabrics £1.2 million.

During the first two months of 1956 UK exports to Burma decreased to £2.6 million as against £3.0 million and £3.9 million during the corersponding periods of 1954 and 1955 respectively. I understand that a number of UK firms with whom orders have been placed by Burmese authorities have been requested to postpone the deliveries of the ordered goods by several months due to the shortage of foreign currency.

Could UK authorities help Burma to overcome these difficulties and to help UK industries in this market?

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Company Meeting

BRITISH-AMERICAN TOBACCO

RECORD SALES

MR. D. M. OPPENHEIM'S SPEECH

The 53rd annual general meeting of the British-American Tobacco Company, Limited, was held on April 13 in London.

Mr. D. M. OPPENHEIM, the chairman, in the course of his speech, said: Whilst exports from the home factories have been maintained at a satisfactory level, the increase in the proportion of the Group net profit dealt with in the Accounts of British-American Tobacco Company Limited is primarily due to larger dividends having been received from the overseas operating subsidiaries, which is a reflection of the increased profits arising from the expanding volume of sales of the Group. As a result, the Board has been able to recommend an increased dividend for the year whilst continuing to strengthen the company's reserves and maintain a satisfactory

position in regard to liquid assets.

Our technical and research experts have constantly under examination new and improved methods of handling leaf tobacco, modern and more fully protective forms of packaging and, of course, improved processes of manufacture of cigarettes and tobaccos. We have decided to extend scientific and technical research for the benefit of the Group and, to this end, we are now in process of constructing a new Research and Development Centre adjoining our factory in Southampton. The directing staff of the Centre have had long practical experience in our industry.

As was the case last year, the date of this meeting has anticipated that of the presentation of the Budget by a few days and, therefore, in regard to what the Chancellor of the Exchequer may have in store for us all I can only express the hope that he will find it possible to give effect to some recommendations of the

final Report of the Royal Commission on the Taxation of Profits and Income which was published last June.

In my speech last year I expressed the opinion that, in the year now under review, the Group would achieve a new record as far as volume of sales were concerned. This has, in fact, turned out to be the case, and for the first six months of the current financial year the volume of Group sales again shows an overall increase. Given fair trading opportunites and the absence of international upheavals, I see no reason why this satisfactory trend should not continue for the remainder of this financial year at least Apart from the obvious satisfaction this state of affairs must give to all of us as stockholders, it is gratifying that our increasing prosperity carries with it a notable contribution to the balance of payments of this country, as well as benefiting considerably the economies of the countries in which the members of the Group operate.

The report was adopted.

TRADE, FINANCE AND INDUSTRIAL NOTES

A Cargo - Passenger Vessel for Indonesia

The 4,200 dw. ton motor cargopassenger vessel "Tampomas," being built for Indonesia, has been launched at the Flushing yard of N. V. Koninklijke Maatschappij "De Schelde." The vessel will be delivered in July 1956 and will have accommodation for 142 cabin passengers, about 1,500 deck passengers and a crew of 95.

India's Heavy Water Plant

Costain-John Brown Limited have been appointed by the Government of India to advise them regarding the types of heavy water plant which they should install to meet the forward commitments of their atomic energy programme. Their immediate needs may well be met by the installation of plants associated with nitrogen fertiliser factories. The heavy water plant constitutes a substantial portion of the Indian Government's projects running into many millions of pounds.

The integration of heavy water production with the manufacture of fertilisers, means that the heavy water may be produced for considerably less cost than other methods such as that proposed for the New Zealand Wairakei scheme where it was to be produced in conjunction with the generation of electric power.

India - Poland Agreement

India will buy from Poland 300,000 tons of iron and steel products during the next 3 years, ending December 31, 1958, and will sell to Poland an equal quantity of iron ore during the same period, under an agreement signed between the two countries in Delhi on April 11.

India will also buy from Poland 100,000 tons of cement between August 1 this year and March 31, 1957. The agreement provides for sale by Poland to India in the first instance of 50,000 tons of iron and steel products between April 1 and December 31 this year. Efforts would be made to obtain an additional quantity of 50,000 tons of steel products before December 31, 1956. The quantity of 100,000 tons of iron and steel products has been agreed, to be sold in each of the calendar years 1957 and 1958.

Under the agreement, India will sell through state trading corporations to Poland first 100,000 tons of iron ore between September 1 this year and March 31, 1957. The quantity of 100,000 tons of iron ore will be sold in each of the calendar years 1957 and 1958. Until state trading corporations came into being, rights and obligations of corporation would devolve on the Ministry of Commerce and Industry. The agreement is the result of negotiations carried on between representatives of Indian and Polish Governments under the trade agreement concluded between the two countries on

English Electric as Consultants

The Government of India has selected The English Electric Company Limited, in face of world wide competition, as specialist consultants on the design and manufacture of water turbines. The agreement, which will last for fifteen years, has been made in connection with the Indian Government's project to establish a factory for the manufacture of heavy elec-

trical plant. English Electric will thus be working with Associated Electric Industries who were appointed as main consultants on the project last November.

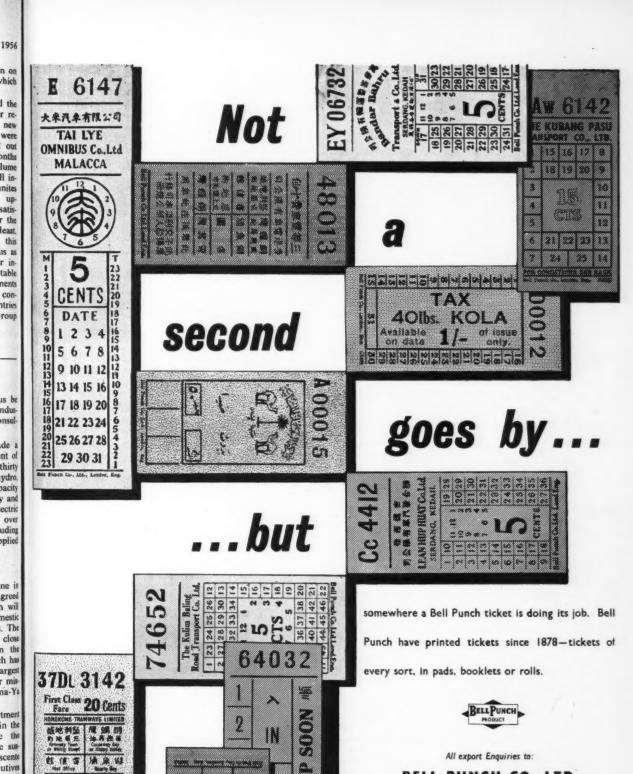
English Electric have already made a major contribution to the development of electric supply in India. During thirty years work in India they have built hydro, steam and diesel plant with a total capacity of over 800,000 h.p. for public supply and private companies. In four hydro electric stations with a total capacity of over 150,000 h.p. the entire plant, including switchgear and transformers, was supplied by the Company.

Japanese - Italian Stores Contract

Two leading department stores, one in Italy and the other in Japan, have agreed on a barter trade arrangement which will set up a two-way exchange of domestic products of their respective countries. The plan is expected to promote close economic and cultural ties between the two nations. Under the contract which has been signed, La Rinascente, the largest department store in Italy, will barter miscellaneous items with the Takashima-Ya Department Store of Tokyo.

This is the first time that a department store in Japan has engaged directly in the import and export business since the operations of the postwar OSS were suspended. A representative of La Rinascente negotiated with Takashima-ya executives when he visited Japan last autumn and took back with him samples of Japanese merchandise. The La Rinascente is located in the city of Milan.





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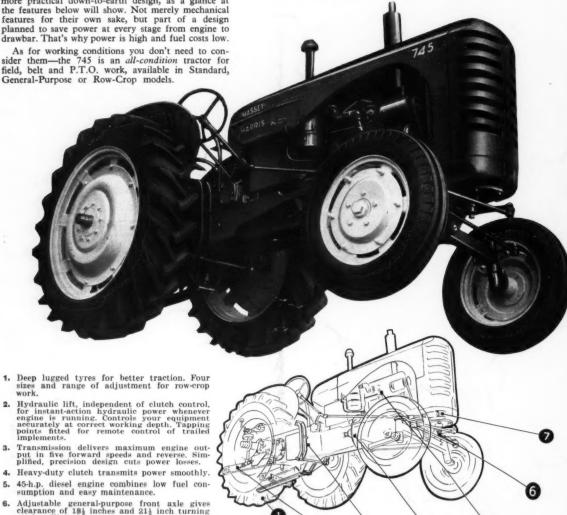
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